FOREIGN AFFAIRS

AN AMERICAN QUARTERLY REVIEW

APRIL 1940

The Problem Child of Europe	*Dorothy Thompson*	389
War for Our World	*André Siegfried*	413
Lawless Maritime Warfare	*Charles Warren*	424
Turkey and Her Allies	*Halidé Edib*	442
Pieces in the Chinese Puzzle:		
Will Stalin Sell Out China?	*Edgar Snow*	450
Japan's Economic Invasion of China	*John E. Orchard*	464
British Policy in the Far East	*Gerald Samson*	477
The Political Heritage of Pius XII	*George La Piana*	486
Germany Behind the Blockade	*Karl Brandt*	507
French Economy on a War Footing	*André Philip*	517
How Britain Will Finance the War	*Lionel Robbins*	525
The Middle West Looks Abroad	*W. W. Waymack*	535
The War at Sea	*Hector C. Bywater*	546
Is Bessarabia Next?	*Philip E. Mosely*	557
Recent Books on International Relations	*Robert Gale Woolbert*	563
Source Material	*Denys P. Myers*	579

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FOREIGN AFFAIRS

Vol. 18 APRIL 1940 No. 3

THE PROBLEM CHILD OF EUROPE

By Dorothy Thompson

WHEN a drastic revolution occurs in a society the change in atmosphere and behavior is so overwhelming that one cannot believe one's eyes and ears. This is not the society with which one was familiar, the place where one felt so much at home. The old society had a face which one knew and trusted. Suddenly it is gone. Another face is there — a strange, foreign face. One thinks, "This is a nightmare." One closes one's eyes and pinches oneself, naïvely expecting that with another look the distorted vision will have passed, and the old familiar face will be there again. The first impression which a revolution gives anyone not a part of it is that it will certainly pass, and almost immediately. One says to oneself, comfortingly, "These people are not like that! I have known them for years!"

This attitude greatly contributes to the success and expansion of the revolution. For even the classes and groups hostile to it lend it collaboration, in the optimistic certainty that it is not really representative. This is inevitable, because all groups and individuals who have long enjoyed social power consider themselves, and themselves alone, as representative. They have a complacent conviction they can "handle" the situation. They need merely enter the revolutionary ranks, and in a short time the features of the revolution will conform to their own features. For *our* face, they argue, is the "true" face of this society.

The powers about to be dispossessed feel also that they enjoy an advantage in occupying a defensive position. They are fighting on home soil, against invaders. And actually, a drastic revolution does resemble a foreign invasion. I was in Germany when the 1933 Nazi revolution occurred. I remember standing with a fellow-journalist on the Grosse Stern in Berlin in April of 1933, watching a regiment of Storm Troopers march by. Their feet beat

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the ground rhythmically, their faces were grim, and in short, sharp barks they were repeating with a horrible monotony, "*Judah Verrecke! Judah Verrecke!*" — left, right — "*Judah Verrecke!*" — the cry giving the tact to their march. The sight of several thousand grown-up Germans marching in broad daylight to the words "Perish the Jews" seemed almost funny. One had, of course, seen these Storm Troopers marching before, but not in this manner of complete confidence. They had been mavericks, no more representative than the Christian Front in this country — merely more numerous. "Crazy people," was the usual comment, "when times are hard some people get like that."

Of course, what had happened was that a numerous but hitherto invisible class had risen to the surface. One thought, "Where, in heaven's name, did these people come from?" Yet possibly that man there had waited on you in the restaurant the night before; perhaps that one was the concierge who had unlocked the door to usher you to the elevator in a friend's house; that boy may have delivered the groceries in the morning. Hitherto they had been anonymous, the anonymous and indistinguishable mass. Suddenly they were very visible indeed. But still, one thought — or more accurately, felt — they are not representative. "They can't last."

By and by one begins to discern in the strange new mass-face of a revolutionized society certain familiar features. But they are distorted almost beyond recognition. One then has a feeling that society has gone insane. This realization is accompanied by a feeling of pity. A madman is a sad spectacle. Pity also assists the "madman." One must not treat the revolution too roughly. A revolution is like an hysterical woman. The best thing is to give her her way until she snaps back into normalcy. Normalcy, of course, is the previous society, the society to which one belongs oneself. One still feels sovereign and superior.

The Nazi revolution was assisted by this attitude, and the person of Adolf Hitler helped to cultivate it. The psychopathy of Hitler is obvious, and the Nazi revolution was made in his image. To the candid eye he is immediately inferior. Above all, of inferior race and breeding. His fulminations about the great superior Germanic, Nordic or Aryan race brought a smile to the humorous lips of any handsome, virile Jew. "Is this the face to launch a thousand ships in a race war?" one bantered.

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It would have been more pertinent to inquire why this person had acquired such power over the masses. Clearly, he was a frustrated and even sick individual. Even a layman's eye diagnosed some pituitary disturbance, some masculine deficiency. The Leader of Men is not at all a masculine type. Then, all his talk about the masses being like a Woman; his treatment of audiences — brutalizing and seductive, and culminating in orgiastic outbursts that were distinctly uncomfortable and embarrassing to the detached spectator. What frustrations must be in this man, one thought — so sensitive, so cruel, so weak, and so aggressive! And those fantastic characters around him — perverts and adventurers, frustrated intellectuals who could not hold a job on any good newspaper or get their plays produced or their books published. And his own background — "*Lumpenproletariat*" — not even a casualty of the economic depression; one of the permanent class of unemployables, caught up briefly into the common adventure of war, taking refuge the rest of the time in a dream-world; a man whom nobody "understood," full of envy, furtive hatred, frustrated creative power.

One dismissed him, still clinging to the concept of "normal," not wondering what might happen if such a man, surrounded by others with a capacity for organization, should come to the surface in a *society* which shared his own symptoms, a society which was also frustrated and sick. "Can the blind lead the blind?" is an open question. Do not societies make gods in their own images? The tendency of history to employ disreputable characters is lost sight of in "normal" times.

A psychopath is a person unable to exercise conscious discipline over his unconscious urges. A drunkard achieves release from inhibitions by means of a stimulant. But all psychopaths and all drunkards do not behave in the same way. Nothing comes out of the released unconscious that is not there. Some men are aggressive when they are drunk, and some are amorous; some are garrulous, and some morose. Many go crazy, but not everybody goes crazy in the same way.

Release from the inhibitions and disciplines imposed by habit, tradition, reason, and fear comes also in dreams. Freud says, "Tell me what you dream and I will tell you what you are." It would seem that not only individuals but whole societies have an unconscious life, a dream life, which differs from the unconscious and dream life of other societies. A revolution releases the un-

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conscious; it destroys inhibitions. The result is a caricature of the society, as an individual in a psychopathic state is an aberration of himself and no one else: as a drunk is a caricature of himself sober.

And so, gradually, one comes to observe in the distorted Nazi face of Germany certain familiar German features. The face is more representative than we thought in the first shock of surprise. The patient will be quieter one of these days; this is certainly not his permanent condition; he will recover. But meanwhile he has revealed more of himself than he ever would have shown us, sober. It is worth watching this society released from its inhibitions. For we hope to live on good terms with it when it is well again, if we are well ourselves. And we shall understand it better hereafter.

But we have also had an opportunity to watch revolutionary developments in an urbanized middle-class society in the twentieth century. In the distorted features of this case we can discern more than German features. The behavior is not German only; it is, in many ways, twentieth century. Let us try to separate two sets of symptoms: symptoms peculiar to *Homo Germanicus*, and symptoms somewhat characteristic of all decaying middle-class society. We may learn something from both.

II

The German revolution did not begin in 1933, with Hitler. It began in 1918, with the loss of the war and the collapse of the Hohenzollern state. It has gone through many phases and will go through more before it is over. In all its phases it is "German" — the Weimar Republic as well as the Nazi dictatorship. The German revolution and the Russian revolution coincided at their births, and, for a brief time, collaborated. It is not certain that they will not end in a close embrace.

The German revolution of 1919 occurred after a lost war in a world in which the middle class was the most representative class, and bourgeois values generally accepted. It occurred, however, in a society in which middle-class civilization had never had the authority that it has exercised in France or Great Britain. Germany was a country where the social and political ideas of the French Revolution did not take permanent root; and it had escaped almost entirely the English Revolution which preceded the French. The belief in the individual and in democracy lacked

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the authority which the spilling of blood for a cause lends to it. Germany had no Magna Charta, no Declaration of the Rights of Man, no Declaration of Independence, no popular cult of Liberty around which a moral unity could be built.

The ideal of individual autonomy had never had a real hold in Germany. There was a feudal Germany, an industrial Germany, and a workers' Germany. Feudal Germany was already in conflict with industrial Germany, and in that conflict seemed to come out on top. Actually, feudal Germany was closer to proletarian Germany, which was not democratic and individualistic, but Socialist.

Although radical Socialism was given no official encouragement and much official suppression under the monarchy, the form of the German state encouraged the tendency to Socialism rather than the tendency to individualism. The German state, from Bismarck's time on, was a "*Fürsorgestaat*" — literally translated, a "caring-for-you state," the state in the rôle of Providence. By the close of the war the economic organization of Germany had already brought about a strict social dependency. In the ensuing years Germany became urbanized to the point where only about a third of the population lived on the land; and in the east these lived on great estates as tenants and laborers. A quarter of the population lived in small towns, forty percent in large towns, a fourth of these in cities of over 100,000. A breakdown of the population into social classes would have shown that only a quarter of the population could be regarded as economically independent; three-quarters of all of them were tied to the "system."[1] The basis for liberal democracy — the democracy of individualism, thrift, and middle-class morality — was not there. The drift toward Socialism, Communism, National Socialism, or some other expression of an urbanized, industrial, socially dependent society was inevitable.

The revolt against middle-class values had started before the war, especially in the Youth Movement. This movement of twentieth century minnesingers was anti-bourgeois, anti-respectable, against pedantry, materialism, and what they called "tradesman morality." It was a revolt against all conventions, including those surrounding sex. But it was not a revolt in the direction of economic liberalism. It was a search after a more coherent social life, not dominated by the idea of personal profit. It affirmed the war,

[1] See Pierre Viénot, "Incertitudes Allemandes" (Paris: Valois, 1931).

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for the war represented heroism, sacrifice, and the spirit of the front — comradeship and mutual affection in danger.

The solidity of the Hohenzollern structure rested upon the Army, the Bureaucracy, the Church, the Junker Estates, the Great Industries. The organization was impressive and powerful. The Benevolent State could point with pride to the fact that Germany had no slums like those of Glasgow and Birmingham, no slaughtered forests as in the United States, no plutocratically controlled culture, but order, discipline, and strength. The organization was so impressive and powerful that it held the world at bay for four years. Then it collapsed. The world's best army lost the war; the All-Highest fled to Holland; the masses of the people were hungry. At a blow Authority had been destroyed, the authority of the Emperor and his caste.

The fall of Hohenzollern Germany was a psychological shock to a generation of Germans from which they never recovered. One must bear in mind that Germany, in the modern sense, the Germany created by Bismarck, had never fought a great war until 1914, and had never lost any war. England and France had waged many and lost several — and still lived and adjusted themselves. The lost war confronted Germany with a reality for which she was unprepared by previous experience. It was the incredible. If that could happen anything could happen. It made no difference that the Weimar Republic put down mob risings, dissolved bolshevism, and restored order in a remarkably short time. Gone was Faith in an Order. What had happened once could happen again.

The shock gave enormous impetus to the idea of historic relativism. Obviously there were no enduring values. Nothing was permanent except change.

The second shock to which the German mind was subjected was the Inflation. This cannot be overrated. In the inflation money *disappeared*. It simply vanished. It became utterly and completely valueless — a dollar was worth a billion marks. The effect of the total collapse of all money values upon an ill-founded and already weakened middle-class society cannot adequately be described. The German youth, who had lyrically denounced money values in the days when those values were very solid, saw that they really could disappear in the course of a few weeks. Germans ceased to believe in money. Ceasing to believe in money, they ceased to believe in thrift, or in any kind of individual security.

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The entire economic structure of society came into question. If wages, the savings of a lifetime, pensions, bonds, the most gilt-edged securities could all disappear overnight, were not the standards which had encouraged those savings worthless also?

The Inflation brought about rapid changes in classes. A whole breed of parvenus and *nouveaux riches* speculators cropped up to become the targets of hatred. The spendthrift and the speculator were rewarded, the sober man punished. To be rich was contemptible.

Two such overturns of values in the course of five years induced an acute feeling of crisis. But people in some curious way managed to survive. Life, then, was not the Emperor, or the finely organized caste-state, or the financial and economic system. Life was — life. A new money was made, the *Rentenmark* based on grain and not on metal. But why try to hold on to this money, either? Perhaps it too would go. Foreign money began pouring into Germany. It was welcome. Entire urban districts were rebuilt with it, industries rationalized, there was an era of intense economic activity in which Germany built the finest civil aviation service in Europe and launched the best and fastest ships on the sea. But the feeling of crisis never diminished. "This, too, will pass," was in everyone's mind. Since it will pass, let us live while we live.

The sense of living in a crisis induces a feverish self-analysis. A society that constantly analyzes its own symptoms becomes hypochondriac. The Communists saw in everything a prophecy come true. Since the next thing to come would certainly be Communism, the wisest thing to do was to push the careening society further along the escalator. The Social Democracy was loyal to the Republic, but in a half-hearted manner, for what the Socialists desired was not liberal democracy but Socialism. The Republic represented no ultimate value, but only a bridge to something else.

This concept of the existing order as only a stopping place on the road to something else — something ahead or something behind — was reflected in all the political parties. The idea that political parties are one means of approximating that balance of interests which is called "the General Welfare" never existed in Germany. The Socialists and Communists were not interested in the General Welfare. Marxian and class-conscious, they sought the welfare of the industrial proletariat alone. The

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German Nationalists were wholly interested in the reëstablishment of the caste state. The Democratic Party was liberal in the interests of the capitalists. Each party was a sort of sovereign state representing a specific interest and all coalitions were precarious. The party system tended to eternal divisions rather than to the repeated striking of an average. The political structure was therefore brittle, not elastic.

In 1929 came the third great shock, and again within five years: the world-wide depression. The over-expanded plant, over expanded on borrowed money, poured out, not goods, but wageless workers. The Providential state fed them, but at a table that became increasingly meager. The solidarity of the workers was broken. For there was not one working class of the proletariat, but a working class and an out-of-work class of the proletariat. The more privileged, the skilled, and those protected by the strong trades unions, were better off than the twice-dispossessed small bourgeoisie, and excited their envy and hatred. The Social Democrats, defending the Republic, held on to the privileged workers. The unemployed and the desperate small tradespeople, peasants, and white collar workers joined the Communists or the Nazis, looking for a radical solution. The Youth sat in employment offices, or took their various insurance cards to be punched. They had time on their hands — time to go to meetings, or march in parades. Soothsayers arose and the crop of mystic prophets who perennially rove the German countryside increased, to tell the people from crystals or stars or cabalistic books or out of their own visions that the world was going to collapse or that the Redeemer was at hand.

Characteristic of this time was that almost no one — but, precisely, almost no one — believed in capitalism. The little capitalists went broke for the second time in five years; the big ones also went broke but were salvaged by the state, which in instance after instance became the chief shareholder. The sons of all the Thomas Lamonts were Corliss Lamonts.

Marxian Socialism preached materialism, and it failed to excite the youth because they had long since ceased to believe in material values. To a great extent, Communism is based upon envy. But can an unemployed man really envy a bankrupt capitalist? Hitler offered to youth fellowship in a mystic community. "No one else wants you, but I want you. I need you. And I promise you that as long as I live you shall belong to me and I shall be-

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long to you." In the ranks of the Storm Troopers there was a uniform and fellowship. It was the "front spirit" all over again, the front spirit of which the youth had heard their elders talk, but which they had missed.

The next phase in the revolution was Hitler's dictatorship. It cannot be wholly or even chiefly attributed to the Treaty of Versailles. It was the response to the 1929 depression, to the third shattering psychological shock in half a generation.

The revolution was gathering momentum, in a kind of psychological vacuum from which all values had been obliterated — belief in the old régime, belief in the economic order, belief in the present régime, belief in middle-class morality, belief in Communism. There was belief in *nothing*. If there is belief in nothing, one cause is as good as another. The most amazing thing about the success of the Nazi revolution is that most of its followers did not believe in most of its dogmas. In the years 1930–1934 I met scores of members of the Nazi Party but I never met a 100-percent Nazi in my life — except Hitler. They only believed in the crisis, and in the certainty that "Something Must Happen," that "It Can't Go on Like This."

Those who followed Hitler did not believe, they did not have convictions; they had faith. They *had* to have some faith. Only the very strong can bear to live in a world utterly devoid of absolute values, which was what the bourgeois middle-class world had become. The rock-bottom of faith in life is "blood and soil."

Hitler came, mind you, as the Redeemer of precisely that middle-class world. But he could not save it. It was in the Euphoria of death when it elected him.

III

I have what the Germans would call "*eine unglückliche Liebe*" for Germany — a frustrated love. Germany is the only foreign civilization in which I have ever attempted to plunge myself. The word "plunge" slipped out on the typewriter and is revelatory. One would not think of "plunging" oneself into France. One enters the life of France step by step, and has to undergo an examination before every new door. The French tolerate foreigners but they do not welcome them. One has to prove oneself, by sheer merit. One would not dream of trying to "plunge" oneself into England. It would be a very uncomfortable experience.

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But Germany invites the plunge. The German mind, the German psyche, has about it something oceanic and boundless. Despite the xenophobia that rules under the Nazis, despite all the talk about "German art," "German science," "German this" and "German that," the odd fact is that no people seem constantly to pursue the universal and to seek the generality as do the Germans. It is a much less compact society than the French, and there is nothing of the finely differentiated hierarchical structure of the British. The German mind seems constantly to struggle between a tendency to be open to all the winds that blow — open on all borders, north, south, east and west — and to make convulsive gestures to close those borders and dam the ocean between rigid dykes.

Whereas the French and the British social structures represent a fine equilibrium between freedom and order and seem to have some organic cohesion, German society always seemed to me to represent an attempt to enclose chaos in the strait jacket of a rigid organization. This chaos exercises an enormous attraction. It is something like the primordial chaos out of which came Creation. It gives one the feeling that something great might come out of Germany, something greater than anything that has ever been, if only for the reason that it might be *anything*.

The German mind has never been able to make itself up. Most importantly, it has never been able to choose, once and for all, between the East and the West. Dominant Prussia undoubtedly pulls it north and east; Bavaria and the Rhinelands pull it south and west; Austria and the new Slavic territories acquired will pull it south and east. If there is anything in the call of the blood, then that call comes from all directions too. For Germany is a land of the most mixed bloods — Slavic, Tartar, Nordic and Danubian, the latter being itself a description of mixture.

It is characteristic of the German that he is likely to find his spiritual home somewhere else. Goethe and Nietzsche both despised Germany. Goethe, however, loved the Mediterranean and western civilization. Nietzsche's blood pulled him eastward, for he was of Polish ancestry. Yet he incorporates the German longing for the West, the longing for form; and, because he is paradoxical he is the more German. The desire of Germans to escape from themselves may account for the fact that they make first class colonists. Germany has to keep their loyalty to the Fatherland by all sorts of propaganda and organization. But it

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still is easier to make an American out of a German than out of a Frenchman.

The Nazi leaders, who insist so strongly on Germanism, were to a quite remarkable extent born abroad. For them Germanism seems to be a kind of Zionism. Hitler was born in the Austria of the Hapsburgs and loathed it. He looked wistfully across the borders into the German promised land. Hess was born in Cairo; Darré was born in the Argentine; Rosenberg was born in Estonia. Ernst Bohle, head of the "Service for Foreign Germans," was born in England. I am sure that there is something significant in this. For to these men Germany is not a place, an existing organized society, but an idea. And that also is along the German line, for the Germans are the most idealistic people on earth, with a passion for the abstract.

The thinkers whom they have accepted, the men who have most strongly influenced their intellectual life, were idealistic philosophers and deductive thinkers, or else chaotic and explosive poets, like Wagner and Nietzsche. Hegel, who elevated the state into an ideal of total order and total virtue, is hardly more characteristic than Nietzsche, who was the total nihilist as far as the state is concerned, despising all forms of bureaucratic society as the enemy of the creative will. This polarity of the German soul (which Nietzsche said was a chronic indigestion) accounts for a great deal, particularly the German discipline and the pedantically organized order. The German does not accept discipline because of a neat love of order. He accepts it the way a drunkard delivers himself into a sanitarium. He wants someone to impose it on him, because he cannot impose it on himself. He is anguished, divided, at loose in the cosmos. Even prison, since it means four walls and a routine, may be attractive to him. But inside the four walls he wants to get out again, into the cosmos. It was probably a great mistake to put Hitler into prison, for in prison he dreamed of "*Lebensraum*," the cosmos of the whole world which he would conquer and dominate.

Goethe said "Zwei Seelen wohnen ach, in dieser Brust," and Goethe probably understated it. At least two souls dwell in the German bosom. The polarity accounts for the amazing German sentimentality. German feeling is to an immeasurable extent *imagined* feeling, and the German temperament unreckonable. Germany is the only country where I have seen "strong" men weep for what would seem to an Anglo-Saxon the most trivial

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reasons. Observers under the Nazi régime have been amazed to see Germans cruelly beat some poor Jew one moment and pick up and comfort a stray kitten the next. It may also account for the curious lack of what other peoples consider loyalty. "*Deutsche Treue*" (German loyalty) has been a very odd thing from the Nibelungen onward. In twenty years we have seen the whole German people desert from the régime of the Kaiser to the régime of the Republic to the régime of the Nazis with a unanimity that is amazing. Each time they desert they have a plausible rationale for doing so.

But the Germans are also one of the most purely rational of peoples. It is a rationalism unhampered by common sense, a quality that the Germans, in their duality and profound inner individualism, possess less than any European people. They are rational but not reasonable. There is no "common" sense in Germany. The Germans do not speak of common sense or even of common aim, but of a common destiny. The lack of empiricism leads them to the rationalization even of their vices. Other societies have homosexuals; it remains for the Germans to make a systematic apologia for homosexuality. Xenophobia exists almost everywhere, and anti-Semitism. It remains for the Germans to make a rationale of anti-Semitism and elevate it into a cosmic explanation of the world. This in no way prevents Nietzsche, who loathed Christianity as a "slave religion" foisted upon the human race by the Jews, from greatly admiring the Jews for denying their own child, and from proclaiming them to be the most aristocratic of peoples, since they had learned how to live dangerously.

The German duality of feeling finds expression in many words in the German language. Take "*Schadenfreude.*" There is no one word to translate this; it means literally "injury-joy" — joy in the injury of someone else. Now, this combination of emotions is known to all of us; it is the basis, for instance, of slapstick comedy. But some instinct warns other peoples to separate the concepts into different words. The fusion is dangerous. We see the same fusion of opposites in the word "*Liebestod*" — love-death — love, the assertion of life and creation, and death its opposite!

The very structure of the German language seems to indicate the desire to escape limitations. It is the greatest language in the world in which to express emotions. It is also the most useful in which to avoid an issue. French compels intellectual precision.

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English, the preëminent language of the verb, impels to action. The French language constantly pulls us back to reality. The German language pushes us out, if we are not very careful, into a no man's land. In the French, English and Italian languages the noun — the thing or the concept — is tied as closely as possible to the verb, the word that acts. We say, "Father has built us a beautiful home." The Germans say, "Father has us a beautiful home built." You have father, the concept of beauty, and home, before you know what father has done about it — whether he has built it or set it on fire. It is a language of unsigned or revocable treaties. The German passion for the concept and the abstract is equal to the German fear of the fact. The verb postponed is the fact postponed — the fact being reality.

This plurality and boundlessness, so attractive and so repellent, so intemperate, immoderate and profoundly unclassical, gives German spiritual life its vitality and its anguish. The one thing that no German poet could ever have written about his race and his nation are the words of John of Gaunt in Richard II: "This *happy* breed of men, this *little* world." To be German is to be divided, perplexed, longing for form, aggressively saying "I am" because one is not quite sure whether one is; and one is sure that, whether one is or not, one is something-beyond-Germanism. With all this goes a remarkable notion of world mission, but a remarkable uncertainty of what that world mission may be.

IV

"Mein Kampf" is one of the most illuminating books ever written. In it can be read the content of the German mind in a degenerate and plebeianized form. There is nothing at all in "Mein Kampf," except the description of propaganda, that has not been part of German intellectual wares for a long time. I do not mean to put Mr. Hitler's scholarship at issue. It is of no consequence whether he ever read Hegel or Nietzsche, or Marx or Luther. These four men have so influenced the German mind that their ideas have become part of the German collective unconscious, including the unconscious of Hitler himself.

Martin Luther made a Protestant church divorced from the idea of political freedom, commanding complete obedience to the state in everything but theology. His counterpart today is the Reverend Martin Niemoeller, who, being imprisoned for his defense of the rights of the Church in theological affairs, neverthe-

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less, and from prison, offered his services to Hitler as a submarine commander.

Hegel saw the glorified state and the possible total sweep of its character. He gave it a moral and intellectual meaning that nobody before him had thought to contribute. The concept of the state as encompassing all of life was never reached more clearly than in Hegel.

Nietzsche who hated the state and thought of life as torrential creative power, in which good and evil each had polar and equal functions, affirmed force, youth and violence.

Marx, who was a great deal more of a German than he was a Jew, was profoundly influenced by Hegel; he was a Hegelian scholar and took his famous dialectic intact from Hegel, using it, however, in the economic rather than the philosophical field. He is enormously important to the mental life of Germany, for Germany is the only country in the world in which the entire industrial proletariat was to some extent intellectualized, and in which all of it has been dominated by Marx. What Marx conveyed to the German workers was the *inevitability* of revolution, revolution according to inescapable law. Marxism combines the idea of will with the idea of predestination. It is therefore exceedingly powerful, for it puts a guarantee of success behind the will of men. The processes of history are inexorable and apart from human will; the human will can, however, expedite the processes. To be a Marxist is to be convinced that one is in an active alliance with inexorable history.

To hold these four men responsible for Naziism is, of course, absurd. Hegel, a profound moralist, must be turning in his grave at the thought of a frame such as the state which he conceived, filled with such bestial power. Nietzsche must be exploding in his, at the sight of *bureaucratized* violence. A "boiling soul of the people" organized to boil at the pressing of a button! And Marx's revolution is not going as he plotted it, either. That pedantic and embittered soul must be having one of his interminable arguments in purgatory.

But these men enlarged the psychological boundaries of the German mind. Naziism has usurped its content, and, of course, has indigestion. It is a fusion of perhaps unfusible concepts. The Nazi state is totalitarian and in that sense Hegelian, but it is also dynamic; and German "dynamism," which has direct roots back to Nietzsche, is rapidly turning the totalitarian state

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into totalitarian and perpetual revolution, which is another way of saying perpetual war. The word "state" is connected with the Latin "stet;" so are the words "status," "stay" and "static," which means something that stays put. Hitler's state is a runaway state, which would seem to be a contradiction in terms. He has turned the state into a "*Bewegung*" — a movement — and even adopted as its symbol the Swastika, the wheeling cross. Instead of the Movement coming to rest, with the conquest of power, in the state, the state has become an enormous juggernaut to propel the Movement. The state and the Movement are in the relationship of the body of a motor car and the engine. All Germany rides in the body of the car (the state), but passively. The Movement is the propelling power, and the chauffeur is the Leader, who chooses the roads arbitrarily. This is the totalitarian state in one sense, but it is certainly not Hegelian.

Hegel is one of the most abstruse of philosophers. He is quoted as saying, "One man has understood me and he has not." It is pretentious for someone not a philosophical scholar to discuss him. But what is important is the residue of his philosophy in the minds of the intelligentsia, who have passed it on in a sloganized form to the masses. The idea of the *Volkstaat* is certainly to be found in Hegel. He conceived the individual as finding himself only in the society of which he is an organic member; religion was not universal, but the spontaneous development of the national conscience; the artist was not an individual but a concentration of the passion and the power of the whole community. The deformation of these ideas is part of Naziism. The organic state is the Nazi ideal, in spite of the fact that Naziism destroyed what is organic. For one cannot create an organism by *Gleichschaltung* — switching into line — an idea not derived from biology but from mechanics.

Reading Hegel, and observing the relationship in Nazi Germany between state and Movement, one can see how easy would be a jump to the conception of the state as a proselytizing church, an idea which possessed Byzantium and the Eastern Church, and which is given expression in Dostoevski's novels. In "The Brothers Karamazov" he makes Father Paissy say: "The Church is not to be transformed into the State. That is Rome and its dream. On the contrary, the State transformed in the Church will ascend and become a church over the whole world — the glorious destiny ordained. . . . This star will rise in the East."

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I quote Dostoevski here because the sympathy between the German idealistic philosophers and the great nineteenth century Russian novelists is constantly apparent. The Russian Communist state is certainly not the state dreamed of by Dostoevski who, at the end of his life at least, was deeply Christian; but it is a state that is, at the same time, a secular religion with a mission of world salvation. And so is the Nazi state. And with this it stops being a state in any Western sense of the word.

The attraction between Germany and Russia is enormous, and always has been. The Russian revolution was made in Germany — it grew out of German idealism via Marx — and Russia has contributed to it, and to the German mind as well, the spirit of Byzantium. That these two revolutions, the German and the Russian, would one day merge has been anticipated by many people. It is interesting that in 1931, two years before Hitler, the German Kaiser gave an interview at Doorn in which he expressed his scorn for any pan-Europeanism that would link Germany in an economic and spiritual alliance with Western Europe, above all with France and England. In fact, he made the statement, startling from a conservative at that time, that Germany's next of kin was Russia. "Western culture has reduced itself to mere utilitarianism, but the pendulum of civilization is switching to Eastern Europe and its way of life. We are not Westerners. . . . We cling with all our roots to the East."

The German belief that the West is decadent reached its clearest expression in Spengler. Utilitarianism is interpreted as a sure sign of decadence. Except in the East — to which Germany belongs — idealism is dead. The West has lost its biological vitality, its will to life and power. So run the arguments. The Nazis' revolt towards paganism as a spring from which Life can be renewed, and their systematic anti-intellectualism, are both reflections from Nietzsche, who denounced the concepts of "the good, the true, and the beautiful" as arresters of Life. Good, true, and beautiful, are only relative. They are the values of impotent, humble, feeble men with slave minds. The morality of bold, vigorous, healthy men is different. Their ethic is an ethic of strength, cruelty, combativeness, vigor and joy. Caution, humility, cleverness, pacifism, are only virtues for slaves, who can best advance themselves by the cultivation of these qualities.

Every one of Hitler's ideas of the "master race" is in Nietzsche, who, like Dostoevski, prophesied what has happened. "The

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democratization of Europe is an involuntary preparation for the rearing of tyrants." "A daring ruler race is building itself up on the foundation of the intelligent mass." "Man's fate depends on the success of its highest types." "The twentieth century will be a classical era of great wars and revolutions." "There is no moral code for the generality of men. I am a law only for my own." That this master race should be bred according to a stud farm formula, as Walter Darré has conceived it, and that it would be formed in a society where fierce pride is more likely to land you in a concentration camp than anywhere else, was certainly not in Nietzsche's mind, any more than that the master-race idea should be made actual in a régime headed by a man overcompensating for severe inferiority. But Nietzsche himself foresaw "unwanted disciples."

The point is that the idea of a total transvaluation of values occurs over and over again in only two literatures: the German and the Russian. It reaches its summit in Nietzsche and Dostoevski. The latter, in the scene of the Grand Inquisitor in "The Brothers Karamazov," makes the most brilliant defense of Satan against Jesus, demolishing the idea of freedom and substituting for it the idea of equality, and affirming the "spirit of the earth," which demands bread and not freedom. Dostoevski was obsessed with the idea that the masses crave equality, that equality must mean slavery, and that the élite, the lovers of freedom, must rule as a priesthood and as vicarious sufferers taking upon themselves the sins of the masses. The idea is completely formulated in the description of Shigalovism in "The Demons." Both Dostoevski and Nietzsche could face and affirm nihilism — the return of civilization to primordial chaos, its rebirth in slime and corruption, and the emergence of a new society. In Dostoevski, a society "redeemed."

Even Marx with all his intellectualism has something apocalyptic about him. Social and economic power is to be centered in the "Dictatorship of the Proletariat." The state is to be an executive committee for managing the affairs of the proletariat, and for crushing their opponents. This accomplished, it is to wither away. Wither away into what? One asks — and comes again to the idea of the state as a Church or as a Movement. In Communist Russia as in Nazi Germany essential functions of the state are supplanted by the Party. In this sense, the state has already withered away in both countries; its power has withered.

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It does not legislate, it does not plan, it does not direct. It does not even judge, except in minor matters. Power in Russia is not in the Council of Commissars but in the Politburo; and in Germany also the direction and decision regarding crucial affairs are not in the state at all, but in the Party. And the Party — whether Communist or Nazi — is built along the lines of a religious order. It is a Leader and a following, a priesthood and a flock. To call either of these phenomena the super-state is false. They represent the anti-state.

But these parties came into being in both cases as instruments of war — of class war or race war. The Party is at once a proselyting and a fighting body, a flaming sword and a missionary society. It is concerned with the Propagation of the Faith, and obviously must place enormous importance upon the Propaganda Ministry, which in Germany as in Russia is attached to the Party not the state. The Party's purpose is to administer a war which has no foreseeable end, since in the one case the superior race, and in the other the class whose time has come in history (the proletariat), must first obtain their sway over the whole world.

For a long time the Western world made the mistake — a mistake that may be fatal — of believing that there was no possible synthesis between the Russian and German revolutions. The possibility of synthesis was implicit from the beginning. Hitler always spoke of Germany as a "proletarianized nation." This slogan was invented by the German Communists, and stolen by Hitler. It was they who first said that Germany was the coolie of international finance capitalism. Marx believed that Germany would be the first workable Communist state, and the natural Communist Mecca for good Marxians ought to be Berlin. The idea of the Master Class and the idea of the Master Race that embodies and leads that class are not incompatible. We are already getting hints from Dr. Robert Ley, leader of the Nazi Labor Front, who is advising the workmen of the world to unite, throw off their chains, and, obviously, accept German leadership.

Western civilization, so runs the argument, is commercialistic, utilitarian, bourgeois, and decadent. Karl Marx himself denounced the Jews and said they could only be emancipated when they were freed from *Judaism*, which he identified with commercialism. Translated into terms of "Communaziism," the war against the Jews is therefore a war against commercialism and the West, especially England. When the Nazis say that England

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represents world Jewry, only the more gullible among them mean it in the sense of an Elders of Zion plot. The others mean it as a concept — that recurrent German abstraction! They mean that Judaism = Commercialism = England, and things equal to the same thing are the same.

One can imagine a slogan for the merged revolutions: "Proletariat of the world and all Have-Not nations unite under the Stakhanovite workers of Germany, and with your pure blood unspoiled by bourgeois marriages made for money, and your vital instincts to will and power uncorrupted by Christianity and Jewish Commercialism, throw off your chains! *Rot Front! Sieg Heil!*" This is not said as a joke.

V

In Nazi Germany and Communist Russia, the Party, having caught up into itself the powers of the state, is, at the same time, a caricature of the ugliest forms of the state — arbitrary force, which is terror, and arbitrary and self-appointed leadership, which is tyranny. The Party-state does not govern, because it is incapable of directing its actions by law. The state does not make laws, and the Party cannot make them. The state merely executes the aims of the Party, according to criteria which neither have predictability nor offer any security. That this condition of affairs will, in time, produce its own antithesis and new synthesis, one is compelled to believe, whether according to Hegelian dialectic or according to historic experience.

But it is a mistake not to recognize certain things that will probably remain in Germany, whatever new synthesis may take place. One is forced to conclude that whatever changes occur, Germany will remain, in however modified a form, a socialist society. The nineteenth century middle-class order based upon individual economic liberty never had strong roots in Germany, and the roots and the plants have died or been destroyed. That flower will not grow again in German soil.

Furthermore, as long as the West represents what to average Germans is a dead or rapidly dying middle-class civilization, it will exercise no attractive power for them, just as it exercises none for the Russians. Herein lies the greatest weakness of the French and British approach to the German people. For the French and British representatives of middle-class economics and morality are trying to sell the German people something

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that they have lived through or given up, whether they are Nazis, or Communists, or neither. The whole of Germany is convinced that the epoch represented by the economics, moral values, and social forms developed since the eighteenth century is over. They never liked it much, and they believe that the future does not belong to individualism and bourgeois ideas, but to some form of coherent and organic community in which the vitalizing forces rise from the masses. The German mind was already groping in this direction before the war, and the German revolution through all its phases has emphasized the tendency.

Actually, moreover, this German and Russian tendency exercises an attraction for the West, for the West has already discovered in itself advanced symptoms of the decay of middle-class forms and values and also has become conscious of explosive forces rising from the masses, the unemployed, and the youth. This attraction over the West exercised by Nazi Germany and Soviet Russia is, to be sure, a kind of horrible fascination. But it is a fascination. The problem of the West is to effect the transition from one form of society to another without the appalling aberrations and boundless exaggerations and horrors of the Russian and German experiences.

The growing crisis of Western middle-class civilization is one of the greatest assets possessed by Hitler and Stalin, and they both count shrewdly upon it as a war potential. It is Hitler's "secret weapon." For he and Stalin know that the war will enormously accelerate that crisis. At present it is being pushed ahead in Great Britain and France by the policies of the most conservative middle-class society left on this planet — that of the United States of America. Our credit policy toward the Allies in the present war is forcing them into economic totalitarianism faster than they need otherwise go. The fact, curiously, is unobserved by our political representatives of capitalism, who preach laissez-faire domestically and simultaneously egg on state-controlled economics throughout the world.

Nevertheless, Hitler and Stalin probably exaggerate the results upon the conduct of the war of the rapid transition being made in France and Britain to a controlled economy and a form of military-socialist organization. (I am compelled to use the word "socialist" in a rather loose sense, as the opposite of individualism.) There is far more inner unity and spontaneous patriotism in England and France than there ever was in Germany. If in the

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business of winning the war they find that they must dispense with capitalism, in the nineteenth century meaning of that word, they probably will simply accept the fact and pay the price. Even if they find they must erect the Moloch totalitarian state they will accept it and plan that it will be temporary and that after the war they will be able to make an adjustment closer to their own traditions and genius. The very fact that the war is going on will produce collaboration until the war is over.

And whatever changes occur in the organization of social and economic life in the Western democracies, the pattern that will emerge will not be the same as the German and Russian — unless the Germans and Russians win the war and impose it by force.

The German and Russian phenomenon that has emerged is military, messianic, despotic. It has a mass base. Its sources were latent in German and Russian thought and society. Both the Nazi and the Russian Communist movements are fusions between the army and the masses, forced by the Party. One must never forget that the modern German Reich — the Reich founded by Bismarck — was to an enormous extent the creation of the Prussian Army. Under the Hohenzollerns, the army had a symbolic value and moral authority that it does not have in France or in England. The French and English societies are civilian, and the army is their instrument. Soviet Russia is also very largely the creation of the Red Army, which established the Communist régime in the civil wars and the foreign invasions following the Great War. Russia never had had a middle-class of any strength, and feudalism was extirpated by the Bolshevists. The Party state which emerged is, like the Nazi Party state, despot-led — army plus masses.

By a succession of purges, both in Russia and Germany, the army has been transformed more and more into an instrument of the Party, that is to say of the Movement. Hitler had Roehm murdered for wanting precisely this function for the army. But the fact that a man is murdered does not necessarily mean that his policies will not be adopted by his assassin. Stalin exiled Trotsky and executed Tukhachevsky, but he adopted ideas from both.

To what extent the German Army actually has become one with the Party is still disputable. Some of the strongest moral values in postwar Germany were there, and it is difficult to be-

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lieve that they have been wholly obliterated. The Elite Guards and the *Gestapo* may render the Army politically impotent. But there are grounds for believing that it still has a primary loyalty to the German nation rather than to the Nazi Party, that it differentiates between them in its mind. Nobody can say that its aid may not one day be a factor in rehabilitating Germany and restoring to her an organic social order.

At any rate, the Eastern and Mohammedan-like concept is foreign to the whole spirit of Western civilization. We certainly shall have a form of military Socialism in France and England during the war, but one cannot conceive of it as permanent. The social and economic structures of both countries, and indeed of all Western countries, including our own, will certainly be profoundly modified before this great revolutionary period is over. But though German dynamism and Russian messianism have much in common, nothing in the tradition of England or France indicates a corollary there to the German and Russian experience. One can imagine a more controlled state economy there, and Socialism, and even dictatorship; but one cannot imagine oriental despotism or a mystique of despotism. One cannot picture the dictator in a halo, elevated to Godhead. The French had Jeanne d'Arc, but they burned her, and only canonized her when she had been dead a long time.

Because freedom in Germany was never so well rooted in political institutions as it was elsewhere in the West, and because it was never so universally associated with economic liberalism, is not proof that the Germans do not love freedom. They merely love it in a different way. The German universities, before Hitler, were as free as any on earth. Nothing so eager and paradoxical as the German mind can be wholly regimented and subdued. And the violent expression of the many ill-digested elements in that mind may bring about a great catharsis. The fact of another war, and within a generation, confronts the Germans with a check to that sense of illimitability which I have spoken of as so characteristic. A moving body moves until it meets an obstacle. The war is that obstacle. Germany cannot move now with the exuberance of a year ago. There must be something sobering for her in the recognition that other people also have force and that they can apply it. The German mentality is compelled again to recognize that there are limits, and if Germany is to belong to Western civilization that is the lesson she

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has to learn. With the recognition of limits will come the possibility of making a truly organic and civilized society.

Docile acceptance of the unquestioned authority of the state, traditional in Germany, may be broken when Germans have had a sufficiently long and intimate experience of what the state, transformed into a militant messianic Movement, can become and do. Whatever may go on in the national mind, individual people remain individuals. They want to breathe and eat and make love according to their own tastes, have children and keep them around them, and die, eventually, in their beds. The *Gestapo*, the terror, the strangling red tape, the unceasing and horribly boring propaganda, the profound psychological insecurity of a country without law, the thousand and one petty irritations which this kind of system requires of the individual, may pull Germany out of the maze of abstractions and back to some simple realities. Freedom in the Western democracies dominated by the middle-class has been institutionalized in bourgeois forms, and is so wholly taken for granted that it is tarnished. Quite possibly it may find its rebirth in a socialist Germany in the form of something as real, intimate and necessary as daily bread, deeply personal, alive, and human, and founded not on middle-class economic ideas but on a profound and religious respect for the human soul. With the German transition into humanism the German prophesy may come true: "An Deutschem Wesen soll die Welt genesen" (The world will be redeemed by Germany).

If the state is to be transformed into the church, in Dostoevski's sense, then it must rest on moral foundations, and (since no one yet has invented anything approximately as aesthetically perfected and humanized) upon *Christian* foundations. Dostoevski came to this conclusion before he died; and Nietzsche died mad, trying to avoid the same conclusion. Satanism is not a permanent religion. The life of love is the affirmative life, releasing every creative instinct. The ethical content of Communism and Naziism is beneath contempt, and certainly beneath that great moralist Hegel. It was the German poet Schiller who said, in the words of the Marquis Posa to Philip II, "Man is greater than you esteem him." Germany is greater than Hitler esteems her to be and Russia is greater than Stalin esteems her.

One cannot avoid recognizing that the West confronts the

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greatest danger in her whole history. But the recognition should lead us to the realization of what a renascence is demanded. If the West is to survive it must throw off, in its own way, the musty and outworn values of nineteenth century individualism. It was a great century, but it is over.

If the West is to be true to its eternal spirit, it must transform these values, if need be under a changed economic and social system, into the humanist and personalist values which have always been the source of its greatest strength. I use the word "personalist" rather than "individualist" to indicate that a civilized society requires that the natural man, born an individual, develop into a person, a socially conscious and coöperative human being, whose "rights" are in direct ratio to his obligations. The West must find the way simultaneously to feed men and to liberate them, to adjust the social system to the reality of social interdependency without reëstablishing slavery. When it has achieved this, the pull of the German soul will be Westward again. Or, if Germany finds the solution first, the pull of the West will be towards Germany.

Meanwhile, the West must save itself from destruction. Its awakening may accompany or follow the war. It has not yet come. But we who love the West, and yearn for a Germany integrated with the West, have faith that it will.

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AURORA

WAR FOR OUR WORLD

By André Siegfried

EUROPE is living through an era of intense nationalism; but though she is divided into nations and groups of nations her great problems still present themselves as continental problems. Succeeding crises threaten to shake her to pieces; yet each seems to emphasize her instinctive sense of basic unity, for each poses the question of what type of social organization is to prevail all over the continent. Today this means: What type of social organization will the victor impose?

I believe that just as this question is bigger than the separate nations or peoples of Europe, so it definitely transcends her continental confines. Can anyone seriously imagine that the effects of a rivalry like that which exists between Germany and the Allies — not to mention Soviet Russia — can be localized in Europe and a fence built around them? White civilization the globe over is a unit. Which of the various Powers that share in that civilization is to exercise leadership? This is the real issue in the present war. It involves the destinies not only of Europe but of all the world of Western civilization.

Each era of human history has known a leading country, one which is peculiarly representative of the civilization of the period and which takes the lead in spreading it. We commonly say that peoples capable of playing such a rôle have an imperial outlook — the sort of outlook that ancient Rome had. There are few such peoples. Even among the great peoples there are ones which do not cherish imperial ambitions. For a century past, to go no farther back in history, the typical and outstanding imperial country has been England. France successfully undertook a similar if more restricted mission in North Africa. Willing or unwilling, the United States will probably be called upon to shoulder heavier and heavier responsibilities of the same nature. So far, however, the British Empire has been the great civilizing Power. The system of inter-continental relations, the inter-continental exchange of goods and ideas by which the modern world has been living, was set up and organized by the English. Today Germany must evidently be classed among what we call the imperial Powers. She thinks of herself as a *Weltmacht*, and the Germans boast that they are a *Weltvolk*. Of Germany's capacity for leader-

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ship, in the world at large as well as on the Continent, there can be no slightest doubt. Whether her leadership would be beneficial or the reverse is another matter.

Given the important place held by Europe in the general scheme of white civilization, is it not possible — is it not almost certain — that the country which becomes predominant there will logically aspire to general leadership in the world? Such, at any rate, is the lesson that history has been teaching ever since the sixteenth century when the white race spread over the whole globe and took charge of its development. That is why it has never been safe or possible for "the Continent," in the narrow English sense of the term, to be left as a sort of private hunting preserve for this conqueror or that. Which in turn is the deeper reason why England, every so often, and without any desire to exercise actual rule over the continent, somehow feels obliged to interfere in a domain not strictly her own.

The issue in such cases is not in fact control of Europe. It is world control. Élie Halévy, the great French historian of the English people, expressed this idea forcefully some time ago: "Before the war of 1914 British diplomacy was less concerned than is imagined with maintaining a balance of power in Europe. What British diplomacy wished to avoid — and the English people instinctively agreed — was that the leading military power in Europe should also become the leading naval power and by establishing something like a balance of sea power among the European nations compromise English naval supremacy." Actually Halévy underestimated the danger somewhat. German domination on the continent would not lead to a balance of power on the seas but to German supremacy on the seas. That would bring the continued existence of the whole British world system into dispute. And such a development would affect not only the interests of England but the interests of France and especially, one may assume, the interests of the United States.

Today as yesterday the world needs leadership and inspiration — if not strictly political leadership, then economic, financial, and, above all, human leadership. This leadership must derive from and be imbued with the true spirit of our Western civilization. If this is not the case the atmosphere in which we have lived so far will change. We might go further still and say that the shattering of the world structure as we know it today would probably be a fatal defeat of the white race. We incline as a mat-

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ter of habit to imagine that the future of our civilization is secure. That is a mistake. The future of our civilization is not at all secure. We have to watch over and guard it.

II

The nineteenth century formulated and applied a way of life which while retaining the basic principles of the eighteenth century tried to combine them with the new system of production resulting from the industrial revolution. During that glorious period of expansion, which really lasted down to the World War, the European continent was divided politically, but it functioned nevertheless as a unified civilization of a race everywhere recognized as superior and worthy to lead. There also existed an economic system which, originating in Europe and more particularly in England, extended its benefits to all Europeans and, in a general way, to all white humanity. Though not consciously so, it was in essence an international system and a liberal system. At any rate it was international and liberal in comparison with the system that the twentieth century is putting in its place. This is a matter of personal experience for my generation. As a boy I saw the nineteenth century system in operation without realizing that it was something quite exceptional in history, and that before long we should be mourning its passing. Today I look back upon it with something of the nostalgia that the people of the Middle Ages felt for the Roman Empire, or that touched Talleyrand when he talked of "the comfortable living" under the Old Régime.

In those days when one left the shores of Europe one entered a sort of international mercantile republic. It operated under the British flag; but by virtue of a principle called "fair play" any white person, of whatever country, could take advantage of it. Economic management on a world-wide basis actually existed. Europe devised it and Europe very largely benefited by it. The phenomenal development of the United States was not to come till later. It was a management of an exceedingly delicate and an exceedingly intelligent sort — nothing like the dictatorial "planned economies" of today. It made money-changing, freightage and travelling very easy. Boats and trains were not so fast as they are now, but one was considerably surer of getting where one wanted to go. Bureaucratic difficulties were reduced to a shadow. One could rely on a general stability in almost every-

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thing. Tariffs and duties were stable under long-term treaties. National credits were stable — the word of any one of the great countries seemed as trustworthy as the existence of the country itself. Currencies had a value in gold and they were interchangeable at only slight fluctuations in price. There was the greatest freedom as regards the movement of persons. Emigration and immigration were virtually free. Investigations and examinations at frontiers were matters of perfunctory routine. I can see that enormous advances have been made since those days in technical equipment; but I cannot help seeing just as clearly that civilization has gone backward.

It might be well to specify in more detail England's rôle in all this. She practised free trade, guaranteed freedom of travel and exchange, and kept order over enormous areas on land and sea. The English liked to boast that their navy was the principal guarantee of public security everywhere. Jealousy kept other countries from agreeing, but today as we look back we have to admit it was true. The fact that the great ocean routes were kept clear of pirates was largely due to England's control of the seas. Part and parcel of the system was the maintenance of white prestige, for England alone had ready means of protecting white people even in the most out-of-the-way corners of the world. Thus it was due to British naval might that Australia was enabled to adopt and enforce an immigration law that saved her from being swamped by an influx of yellow peoples.

The white man has taken his supremacy for granted as a sort of natural and necessary phenomenon willed by Providence and therefore to be cheerfully accepted by everybody. That is far from being the case. In many regions white supremacy already is a thing of the past and in others it is tottering. The fact that Europe has definitely lost its strategic position with reference to the two Americas is no great matter; the dominant position of Western civilization has not thereby been affected. More portentous are the retreats in the Far East, where the whites are yielding place to peoples and systems not derived from Western civilization.

The English find it increasingly difficult to fulfill the world functions which they gradually assumed in the course of the past century. They are, however, continuing to fulfill them after a fashion. That is one reason why I would contemplate the possibility of a serious English defeat in the present European war

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with the gravest apprehension. It would mean a dislocation far surpassing the confines of Europe. The key positions of European civilization everywhere would be grievously weakened. There would be an outburst of racial movements in all quarters of the globe. From this standpoint the British, French and other colonial empires seem to form a major defense line behind which white civilization has been able to live and prosper.

III

The terms "Europe," "the white race" and "the West" were long synonymous. Down to the sixteenth century the white race was all in Europe. "European civilization" and "Western civilization" corresponded exactly. With the discovery of America and the sea route to India the white race overflowed Europe. The world's center of gravity was displaced due to the simple fact that the white race was now no longer all in Europe. Thus a new civilization, a "Western" civilization, came into being. Its main springs are still in Europe, but it is not confined to Europe. Furthermore, recently a number of Europeans have been tending to repudiate its basic principles.

Three countries have mainly contributed to the development of what we call Western civilization: France, England and the United States.

The chief contribution of France, as I see things, has been her assertion of human values, her faith in intelligence, her uncompromising insistence on the dignity of the thinking human being. But the British contribution has not been less significant. England has developed the concept of credit based on the given word, on the trust inspired by the honest man. She was, besides, the first and I am afraid the only country to understand that political power has to be something more than a mere expression of common interests, that liberty and authority are not contradictory terms, that liberty can be enjoyed without disorder and authority can be exercised without tyranny — in a word, England has contributed liberalism, and the liberal spirit. It was due to that spirit that the nineteenth century world became a habitable world — a fact which the twentieth century, alas, inclines to forget. I do not think, as regards the United States, that its astounding material progress constitutes its chief contribution so much as the persistent struggle of the American people, carried out in a profoundly idealistic spirit, to enhance the dignity of the

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human being by continually raising the plane on which he lives. America has sought to make men better by making them happier. America is the country of social progress. Among many splendid achievements this is the one, I think, which ought to be stressed as doing proper honor to the country of Franklin, Lincoln and Ford.

Wherever one looks in this three-panelled picture one finds the same values. First of all there is the basic conception of the human being as an end in himself and not as a mere tool to be used for this purpose or that. The human being is considered precious from the simple fact of his being a human being. Corollary to this conception is the insistence on a few necessary liberties — freedom for the human being to judge for himself, to argue and discuss, to express his views. These attitudes are the things which, even more than our technical advances, constitute the real greatness of the West; for from them our great technical advances have developed.

The spirit of the West is free, as free as the flowing stream, the living flame. Western civilization will die the moment it surrenders the freedom that is part of the air it breathes. It will lose the creative energies that have enabled it to be great. It will become a lifeless mechanism. Perhaps too late we shall perceive that the most perfect technical plant imaginable cannot function unless it is animated by a spirit.

IV

What would happen if a Power inspired by the totalitarian spirit achieved world leadership? The question is not hypothetical. Germany has openly and repeatedly announced her candidacy for the rôle. She has made several violent attempts to claim an imperial position at the expense of England and France. Nor is there much doubt that her ambition far overreaches the confines of poor little Europe. And there, probably, lies the deeper cause of the bitter rivalry between the Reich and the Western Powers, especially England.

Certainly a world controlled and managed by Germany would be altogether different from the world we have known for the past century under the free system described above. It can be taken for granted that the production resulting from German technical methods, long since tried and tested, would be very impressive. We French have been battling the Germans for a

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long time. We have come to know them well and to appreciate them at their true worth. We know all that industrial and social organization — a relentless and, as we feel, inhuman organization — can achieve under their direction. We are also perfectly aware that freedom has its disadvantages. We recognize that the moment an individual, however intelligent he may be, sets out to work on his own free initiative and in response to his varying whims he may cause disorder and trouble. Under the German system every motion is harnessed to serve a single purpose; nobody's imagination or inspiration is allowed to divert an ounce of energy from the predetermined goal. It is inspiring to picture all that German organizing ability might do in the world if it were given a free hand. But there is a flaw in the picture, and unfortunately it is a fatal one.

The exorbitant price of German single-minded efficiency is precisely the condition on which it is able to operate — everything connected with free living based on respect for the individual must be given up and forgotten. All energies are regimented and canalized in a single system of conscription. The concept of a free humanity in which all men are equal, at least in the respect owing to them as human beings, is replaced by the iron doctrine that a few supermen have been created to exploit the masses that are born congenitally inferior. The procedure increases production. But it involves repudiating the whole ideal of the nineteenth century and with it the deeper ideal enshrined in Christianity itself.

Thus stated, the choice to be made today between two types of civilization, each of them claiming world leadership, is not merely a European question. It interests the United States also. Perhaps we should consider just how and in what respects.

V

A foreigner has to speak cautiously if he is to avoid giving the impression of interfering in other people's family affairs. But it simply is impossible to discuss the future of Anglo-Saxon civilization, or of Western civilization as a whole, without taking the American factor into account.

British and American civilizations spring from the same sources and even today something like a family tie unites them. The two peoples use the same language and therefore have no difficulty in understanding each other. This may seem a trivial detail, but

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actually its significance can hardly be overestimated. Americans are very likely to feel out of their element when they visit Continental Europe. Often they do not know the local language. When they run into an Englishman in such circumstances it is almost as though they had found a relative. At the international conferences that I have attended the representatives of England and the United States invariably formed a group by themselves. The common inheritance of Protestantism may sometimes, perhaps, play a part in addition to the common inheritance of language. But above all is the tie of devotion to common institutions. Democracy is not, I take it, the main point of resemblance between English people and Americans. The aristocratic structure of English society differentiates the English spirit radically from the equalitarian atmosphere of the United States. The real thing they have sincerely and deeply in common is liberalism, the respect for individual rights — one's right to express and defend one's views and to choose one's own form of government.

Take now a German, even an educated one. He finds it quite natural that a political system should be imposed upon him without his being in any way consulted. If he happened to venture a word, his rulers would tell him that the matter was no concern of his; and on second thought he would decide that they were right. Englishmen and Americans simply cannot understand that sort of attitude even remotely. In Anglo-Saxon countries governments represent communities; they are not conceived of as entities, and certainly not as entities superior to the people who are their reason for existence.

But though the resemblances between Americans and Englishmen are deep and basic the superficial differences between them are numerous. One might easily draw portraits of the two peoples that would emphasize the contrasts — and all the more easily since both parties are convinced that they are altogether and profoundly different. They take a wicked joy in criticizing each other back and forth, and usually, as I feel, with extraordinary unfairness. The worst possible guide to understanding Americans would be an Englishman, and vice versa. The books that are written in England about the United States almost always irritate the American public. I have an impression that, three times out of four, the English propagandists who go lecturing about the United States would do better to stay at home, espe-

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cially if they are high dignitaries of the Church of England and speak with an Oxford accent. American susceptibilities where the condescension of foreigners is concerned are very keen, so keen indeed as to be in evidence sometimes when the condescension is in fact imaginary. Many of the large towns, too, are crowded with Irish, Slavic and Latin elements and therefore show a markedly un-English atmosphere. Superficial observers are often misled by this instinctive "touchiness" on the part of a people that is doubly jealous of its national and continental independence. But it is often overstressed. Under it all is a oneness of interests and of attitudes towards life — the oneness, in short, of a common civilization.

From this last point of view Americans tacitly admit that the presence of a British Empire in the world is something that is greatly to their advantage. The overseas countries where English is spoken and British methods of doing business prevail are very numerous. An American may not feel entirely at home in them, but he feels almost at home. As a result, the wide world outside of Europe has a familiar look to the American. It strikes him as deriving from a civilization of his own type and requiring no great amount of adaptation on his part. This is all very convenient for the United States. Indeed, Americans long found it such a natural state of things that they paid hardly any attention to it. The British Empire was there and they profited by it. Otherwise they were hardly conscious of its existence.

The British fleet policed the seas, kept order in Asia, defended the white man everywhere. America tended to consider the worries of imperialism as Britain's own affair. And the English went on, acting as the world's policeman, diplomat, colonizer and mailman. On their side the English undoubtedly made money by the arrangement, and were not free from a certain amount of hyprocrisy when they groaned under the "white man's burden." But the American was also the gainer. A sort of division of labor automatically, therefore, took place between Anglo-Saxons of an international spirit and Anglo-Saxons of a continental spirit — a continental spirit, since down to very recently the Americans were busy developing their continent; and that was a task quite large enough to absorb their ebullient energies.

The interests of England and the United States are therefore the same, though American opinion, so far as it is aware of the fact, does not like to have a foreigner say so. Responsible ele-

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ments in America, the people who really shape the destinies of the country, are not at all afraid to admit the community of interests. They know that if the British Empire were to collapse, or merely become unable to fulfill its traditional mission easily and well, the position of the United States would at once be more difficult and its burdens would increase. Either the United States would have to withdraw into the American continent and intrench itself there, with resulting economic and cultural losses, or else it would have to shoulder increasingly onerous and costly political obligations outside its own particular sphere. I have often expressed my feeling that when the United States went to war in 1917 it did so, at bottom, for the sake of Anglo-Saxon solidarity — in order to maintain in all parts of the world the preëminence of Anglo-Saxon civilization.

There is, of course, another alternative. The United States might itself become the leader of the white race and itself take over the responsibilities of empire, either jointly with England or in place of England. Many people in Europe thought, just after Versailles, that the Government of the United States intended to claim first place in the world and that a new period in history, a period of Anglo-American rivalry, was about to open. That view failed grossly to take account of the sincere and deep feeling of oneness that prevails in the English-speaking countries. It also overlooked a tendency in Americans — and it has grown stronger, if anything, during these last years — to shrink from empire. The United States rests satisfied with being a continental power, broadening its range close to home, perhaps, but uninterested in branching out into the world at large. Americans feel no call towards colonization, probably because within their own frontiers they possess the best field for colonization remaining anywhere in the world. They are not at all impatient to step into the shoes of the British Empire, because they feel instinctively that it and their own country are complementary rather than antagonistic.

If any conclusion can properly be drawn from all I have been saying it would seem to be that the fate of Western civilization continues to depend on Europe, because Europe, and Europe alone, has an inter-continental, international, in fact universal, conception of her political and cultural responsibilities. Her task at this moment is to decide whether totalitarian ideals or liberal ideals are to have the support of her seemingly inexhaustible dynamism. So far that dynamism has not been impaired either by

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wars or a series of pitiless internal struggles. The war that has opened in Europe, therefore, is in its broader bearings a world war. The fate of our whole civilization is to be fought out in our continent.

One would have to go far back in history to find a struggle where the stakes were so significant. My country, France, is a decisive factor since she supplies the chief elements in the military resistance to German aggression, and because with her survive or perish those human values, mentioned above, that are broadest in scope. They are values, I believe, that all human beings, of whatever race, nationality or color can understand, admire and strive after. But the outcome will also depend very directly on the fate of the British Empire and on the position in the world that the English are able or willing to maintain. The weaknesses of the Empire are only too well known, chief among them being its vast extent and the vulnerability of its lines of communication. Not enough is said about the Empire's strength, which resides very largely in the unanimous loyalty of the white portions of the British world. The British Commonwealth represents a civilization to which the member nations are deeply enough attached to defend it by arms whenever need arises.

One may guess that sooner or later the United States will decide to accept world responsibilities transcending the limits of the American continent. Its physical power, its prestige, its wealth, its unparalleled industrial equipment, the fact that it is part and parcel of Western civilization — all drive it in that direction. But until it makes its decision Europe alone must uphold the world order on which our civilization depends.

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LAWLESS MARITIME WARFARE

By Charles Warren

"LAWLESS" may mean without law; it also may mean violative of law. Maritime warfare as conducted by the belligerents during the World War illustrated both definitions. If anything was clear at the end of the war, it was the necessity of arriving at some agreement upon international law of the sea before the next war should break out. Yet twenty years went by, and no agreement was reached (or even attempted) upon most of the controversial questions which had arisen between the neutrals and the belligerents.[1] The same questions are now recurring in the present war. And it is proof of the sheer stupidity of the alleged statesmen of the world that no one can today say what is accepted law of the sea.

Prior to the World War, attempts had been made in the Hague Conventions of 1907 and in the Declaration of London of 1909 to reach some agreement on modernized rules to govern such warfare. When war came, however, none of the belligerents considered themselves bound by these rules. A new system of warfare was devised by them, based primarily on the policy of starving civilian populations by declaring every article to be contraband, by regulating neutral exports as well as imports (tantamount to a practical blockade of neutral ports), as well as by destroying neutral property and lives on the high seas. All the belligerents engaged in practices previously unrecognized by international law, under a doctrine which was the negation of all law — the doctrine of retaliation. Violation of law by one belligerent was deemed to justify further violation by its opponents, and this in turn gave rise to still further violation — utterly regardless of the serious injury to neutrals and infringement of their rights. When neutrals challenged such unlawful action the belligerents paid no attention, except to contend that self-defense justified all violations of rights.

This, as has been said, was simply "the law of the jungle." It

[1] *Author's Note:* Six years ago in these pages, in an article entitled "Troubles of a Neutral" (FOREIGN AFFAIRS, April 1934), I suggested the desirability of further domestic legislation as a partial safeguard against the United States' becoming involved again in war. The present so-called Neutrality Act, signed November 4, 1939, deals with many of the conditions to which I called attention. In the present article I consider the lack of international action since 1919 regarding many matters in which belligerents violated neutral rights during the World War.

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is the law which the belligerents in the present war are again applying. Each, so far as concerns neutrals on the sea, is now taking any action which it considers its own interest demands — the only difference between the parties at war being that Great Britain and France have not yet destroyed neutral lives in pursuit of their illegal war measures, while Germany today, as in the World War, acts without regard to neutral lives if her interests so seem to demand.

In such circumstances it is difficult to understand why no better attempt was made during the interval of comparative peace between 1919 and 1939 to restore to the world some accepted international law of maritime warfare by holding some general Conference and adopting some general Convention better defining neutral and belligerent rights and establishing methods of enforcement. Certainly, the United States had a peculiar interest in securing such a Convention; for by an exchange of notes on May 19, 1927, between Secretary of State Kellogg and the British Foreign Office, we had foolishly, though deliberately, waived and abandoned our right to determine through international arbitration the validity of our claims against Great Britain for violations of law from 1914 to 1917. Moreover, the institution of the League of Nations did not abolish war, or neutrality (despite President Wilson's thought to the contrary); and even had the League existed in effective operation, wars were still possible in which there might be belligerents and neutrals. Hence there was still need for the establishment of definite international rules of maritime warfare.

The foolish neglect by the United States and other nations to seek to arrive at some such Convention during the past twenty years is certainly an illustration of the lack of common sense as well as of vision in the men in control.[2] It is the more deplorable since it may be admitted that old rules of international law may

[2] A few Conventions limited to certain nations and to certain subjects were signed prior to September 3, 1939. Among them were the Washington Treaty of February 6, 1922, between Great Britain, France, Italy, Japan and the United States containing provisions as to the use of poisonous gases and submarines (never fully ratified); the London Naval Treaty of 1930 between the same nations, as to submarine warfare; the Uniform Rules of Neutrality adopted by the Scandinavian and Baltic nations among themselves in 1938; the Convention on Maritime Neutrality signed at Havana in 1928 by the nations of South and Central America and the United States (never fully ratified). Since the outbreak of the present war, the Declaration of Panama signed by the Foreign Ministers of the American Republics on October 3, 1939, has dealt with a limited number of topics affecting neutrality, such as armed merchantmen, entrance of submarines and warships into neutral ports; and it expresses sentiments of opposition to the use of poisonous gas and bombardment of places without military value, and to the inclusion of food as contraband.

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well have needed modification by international agreement (though not by the independent action of individual nations), and that in many ways they should have been newly adapted to meet altered conditions arising from the development of the radio, the aeroplane, and the submarine, and from the new relations between governments and private property growing out of the creation of socialized and regimented peoples. But while the law should, in general, go forward, it may be wise in some instances for it to go backward. Who can doubt that, before lasting peace can be restored or before friendly feelings can be maintained, nations must abandon the right to indulge in the barbarities of the twentieth century, such as starving and bombing civilians on land and bombing innocent passengers and crews on the sea, and must return to the more civilized methods of the eighteenth and nineteenth centuries? Then, at least, food was not contraband, except when destined for the military forces; blockades could be enforced only against enemy ports and not against neutral trade in general; and nations did not launch their attacks against noncombatants. Today's inhuman methods of warfare will leave memories which will last indelibly after a peace, intensify desires for revenge, and so promote future wars.

It may well be that if "command of the sea" is to continue to mean starvation of civilian populations, and if "command of the air" is to mean bombing of civilians on land and sea, there can be no lasting peace. In those circumstances the world cannot hope to be better off until such command of the sea or of the air shall have been shared among several nations, and not permitted to one alone. It may well be, also, that the whole basis of neutral and belligerent rights and duties needs reconsideration. If nations are to continue to launch invasions, institute blockades, and carry on actual warfare without admitting or proclaiming either war or a state of war; or if a nation may be an ally of one belligerent and at the same time a neutral as to the other belligerents; or if a nation may proclaim itself "a non-belligerent but not a neutral" — then the terms "belligerent" and "neutral" have, in fact, lost all meaning and all relation to actualities, and an attempt to apply to them old doctrines of the law of neutrality becomes senseless.

A summary of some of the controversial questions which arose in the World War and which still remain unsettled will clearly illustrate the necessity for an international conference, when the

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present war ends, to reform at least the law of maritime warfare. The previous mistake must not be repeated. Looking forward to such a discussion, we should understand that to none of the following questions could any answer at present be given which would be recognized or accepted as international law by all those now engaged in hostilities in the world. Whether or not in the future the law should be settled in accordance with the views of the United States and other neutrals, it should at least be *settled.*

1. What is the right of a belligerent to sow mines and to constitute "war zones" or "danger areas" on the high seas? The use of submarine mines in the Russo-Japanese War of 1904–05 attracted the attention of the world to the danger of such methods of warfare and aroused complaints from neutrals. Restriction of mines became the subject of a long but inconclusive discussion at the Hague Conference of 1907, resulting in a Convention (No. VIII) containing a timid and inadequate compromise, which forbade unanchored mines unless they became harmless one hour after getting out of control, and which forbade anchored mines off the coast and ports of an enemy "with the sole object of intercepting commercial shipping," but which neither authorized nor forbade expressly the planting of mines on the high seas. This Convention was not in force in the World War, and neutrals were entitled to all the protection of their commerce which they possessed under the law as formerly prevailing.

It is exceedingly desirable that we should now recognize that if the United States and other neutral nations had, at the very outset, joined in vigorous and effective protest against the initial steps in the illegal use of mines by *all* belligerents in the World War, and if they had followed up such protest by some effective action, it is highly probable that the subsequent extraordinary extension of illegal mine warfare might have been avoided. The actual development of the situation, therefore, deserves more consideration here than has ordinarily been given to it; for Americans in the World War turned so much of their attention to the submarines that they lost sight of the mines. These have now proved the more dangerous of the two weapons.

The steps in the progress of mining operations in 1914 and 1915 were as follows. On August 7, 1914, Germany notified all neutral nations that ports "which may serve as bases for the hostile forces" were to be blockaded with mines. On August 11, the British Embassy notified the State Department that "the Ger-

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mans are scattering contact mines indiscriminately about the North Sea in the open sea" and that the British Admiralty "must hold themselves fully at liberty to adopt similar measures in self defence." Secretary of State Bryan replied, August 13, that if the mines referred to were floating mines, they were in violation of the Hague Convention, and he expressed "the earnest and confident" hope that Great Britain would not adopt as a defensive measure a similar course violative of the Convention. Very regrettably, no actual protest was at that time sent to either country by the United States. On September 10, the German Ambassador Bernstorff notified us that assertions from England that the North Sea was infested with German mines were incorrect. On October 2, Great Britain notified us that it had found it necessary "on military grounds . . . to adopt countermeasures" and had authorized a mine-laying policy in a certain "danger-area" which it would be dangerous for ships to cross; and on November 3, it gave notice that "the whole of the North Sea must be considered a military area," thus closing a stretch of open sea about 500 miles in length. This action, for which no justification existed in international law (except on the doubtful ground of reprisal or retaliation), and which was followed by similar action by the other belligerents, aroused strong opposition in The Netherlands and in the Scandinavian countries. Norway filed a protest with Great Britain and expressed to the United States a hope for its support. It was highly unfortunate that Secretary of State Bryan replied, November 10, that "this Government does not see its way at the present time to joining other Governments in protesting to the British Government."

On November 7, 1914, Germany replied to the British charges and contended that there was no established practice in international law as to the distance at which mines could be laid off the coast. It stated that its mines had been laid with all possible precautions and that when on August 7 it had duly notified all neutral Powers that the trade routes to English ports would be closed by mines it was relieved of all further responsibility. On February 4, 1915, Germany, in retaliation for the British North Sea Order, declared "all the waters surrounding Great Britain and Ireland including the entire English Channel as an area of war;" it stated that it intended to make the most extensive use of mines in all parts of the war area, and to indulge in unlimited submarine warfare. Protests were made by The Nether-

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lands, Scandinavia, Italy and other neutral Powers. It was to this action of Germany that the United States replied in its "strict accountability" Note of February 10, 1915. But the Note was directed almost entirely to the issue of submarine warfare, and it made no specific challenge of the right of Germany to lay mines or to constitute the "war area." Furthermore, it was not until its Note of February 19, 1917, that the United States made any specific challenge as to the right of Great Britain to sow mines in the "danger areas," or to appropriate "certain portions of the high seas for military operations, to the exclusion of the use of the hostile area as a common highway of commerce," to the peril of all neutrals. To French and Italian mine-laying the United States made no protest. The United States after its entry in the war took part in the North Sea mine barrage.

The question of the legality of mines on the high seas, affecting neutral lives and commerce, remained unsettled at the close of the war and has remained so ever since.

2. *What is the right of belligerents in aërial attack?* There were but few bombings of ships during the World War, and no controversy arose over them. It was certain, however, that with the speedy and intensive development of the aeroplane, aërial bombing would become the most serious and the most potent form of attack in the next war. In January 1919, in an article entitled "Winged Warfare and the League of Nations," I wrote: "Now, however, the most urgent question is . . . what measures shall be framed to deal with still newer weapons now developing — the airplane, the aërial torpedo? . . . These new weapons must inevitably produce a fundamental change in the methods and conditions of future warfare. Yet little attention has thus far been paid in public discussion to their possible effect upon the International problems now to be settled and upon the future relations of the World." In 1922, Professor Charles Cheney Hyde wrote that aircraft was likely to prove "the most terrible and the most effective means" in offensive operations. In 1926, James M. Spaight, an English writer, in his "Aircraft and Commerce of War," said that through aërial warfare "the conditions of 1915–1918 may be reproduced in an aggravated form. The position of neutral commerce will indeed be well nigh intolerable." Yet, the nations of the world entered into no agreement between 1919 and 1939 to settle the status of this terrible weapon. A Commission of Jurists met at the Hague in 1923 (composed of

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delegates from the United States, Great Britain, France, Italy, The Netherlands and Japan) to discuss proposed rules; but no action followed. The League of Nations Conference for the Reduction and Limitation of Armaments in 1932–34 discussed plans to abolish bombing planes, as proposed by President Hoover and (with exceptions) by Great Britain; but it took no action. And so the present war came, with no accepted regulation of these barbarous weapons, for attack either on sea or on land.

3. What are the rights of belligerents in submarine attack? The chief subject of controversy during the World War arose, of course, out of the use of unlawful and inhumane methods by German submarines in attacking merchant ships without warning and in failing to provide safety for crews and passengers. It has since been hoped that the provisions of Article 22 of the London Naval Treaty of 1930 had settled this question by accepting "as established rules of International Law" that "in their action with regard to merchant ships, submarines must conform to the rules of International Law to which surface vessels are subject." There were further detailed provisions as to manner of placing passengers and crew in safety. This article under the Procès Verbal of 1936 is in force between the United States, Great Britain, France, Italy, Japan and the British Dominions, and has since been adhered to by Germany, Poland, Russia, The Netherlands, the Scandinavian States and by other countries. It has clearly been violated by Germany in the present war in attacks both on belligerent and neutral merchantmen.

4. What is the status of armed merchantmen? This was the subject of much serious consideration by the United States from 1914 to 1917. The general proposition that international law recognized the right of a merchantman of a belligerent country to arm solely for defense without acquiring the character of a ship of war could not be denied. But the changed conditions brought about by the introduction of the submarine as a lawful weapon when used in conformity with the rules applying to surface vessels made unanswerable the view set forth by Secretary of State Lansing in his identic note of January 18, 1916, proposing a *modus vivendi*:

> The placing of guns on merchantmen at the present day of submarine warfare can be explained only on the ground of a purpose to render merchantmen superior in force to submarines and to prevent warning and visit and search by them. Any armament, therefore, on a merchant vessel would seem

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to have the character of an offensive armament . . . and in view of the . . . defensive weakness of undersea craft should be held to be an auxiliary cruiser and so treated by a neutral as well as by a belligerent government.

It had not been until the preceding December 30 that Lansing had learned (from a letter from Ambassador Gerard dated December 10) the nature of the secret and confidential instructions of the British Admiralty issued on February 10, 1915, to British merchant vessels. These, together with instructions issued on February 25 and May 7, 1915 (transmitted to our Government by Germany in a note of February 10, 1916) had been found by German naval forces on board the captured British steamer *Woodfield*. From them it appeared that British merchantmen were directed to fire on a submarine on sight without giving it a chance to warn of a search; and later facts showed that such merchantmen were either directed to ram submarines on sight or adopted that custom. Since the proposed *modus vivendi* was not accepted by Great Britain or France, the United States continued to be guided by the rules of international law accepted at that time and to admit into its ports defensively armed merchant vessels — even though, as a practical matter, the alleged defensive armament was, in fact, quite capable of offense, and unquestionably was so used in some cases. The Netherlands forbade admission of such vessels to its ports.[3]

After the World War, the Convention on Maritime Neutrality signed at Havana in 1928 provided that armed merchantmen in neutral ports should be subject to the provisions relative to ships of war; but the United States Senate did not ratify this clause, and the recent Declaration of Panama of the American Republics, signed on October 3, 1939, apparently is in disagreement with the Havana provision.

5. What is the right of a belligerent vessel to fly the flag of a neutral country? In the World War the practice of belligerent merchantships to use a neutral flag became a serious source of danger to neutral vessels, especially in view of German methods of submarine warfare. Great Britain announced officially, however, on February 8, 1915, that "the use of the neutral flag is with certain limitations well-established in practice as a *ruse de guerre*," and involved no breach of international law. Secretary of State Bryan

[3] There is a further argument against admission of armed merchantmen into neutral ports, namely that a neutral should not be called upon to assume the heavy responsibility of deciding in any specific case on whether the armament is, in fact, offensive or defensive.

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wrote Ambassador Page, February 10, 1915, that "the formal declaration of such a policy of general misuse of a neutral's flag jeopardizes the vessels of the neutral . . . by raising the presumption that they are of belligerent nationality regardless of the flag which they may carry," as to which our Government felt "grave concern." At the same time, he notified Germany that the British practice did not justify the submarine system of attack without warning. On February 15, 1915, The Netherlands protested to Great Britain that the use of a state's flag without its consent was an abuse, the seriousness of which could not be overlooked, and it asked for discontinuance of the practice. Sweden also declared that the tolerance accorded in the past to isolated incidents in a war was no longer possible "since it has become a question of systematic and premeditated misuse." The British Government, nevertheless, continued to maintain the right to use neutral flags and to disguise its vessels so as to resemble neutrals.

6. *What is the right of a belligerent to divert neutral vessels into its ports for purposes of search?* In the World War, Great Britain, France, Germany, and Italy all adopted the practice of directing or conducting vessels off their course and into belligerent ports for examination of cargo. They justified their action on the ground of the changed conditions of maritime traffic. As early as November 7 and December 26, 1914, the United States notified Great Britain that it "cannot without protest permit American ships or American cargoes to be taken into British ports and there detained for the purpose of searching generally for evidence of contraband, or upon presumptions created by special municipal enactments which are clearly at variance with international law and practice." Great Britain refused to admit that the protest was justified. An Order in Council of March 11, 1915, directed that all ships carrying goods of presumed enemy destination, ownership, or origin, should be detained and brought into British ports. The United States again in 1915, Sweden in 1915, and The Netherlands in 1917, denied the legality of such action. They further contended that this violation of law not only resulted in heavy damage to ship and cargo owners by reasons of the delays and increased costs of the voyage, but also had a serious deterrent effect on trade, for which damage no remedy could be had in British, French, or German Prize Courts. Neither the United States nor other neutrals have made any effort in the

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past twenty years to obtain some international agreement to abate this interference with trade. The present war therefore has witnessed a repetition of the former unjustifiable practices of belligerents; and Germany now apparently maintains a right to sink neutral ships *en route* to the so-called "contraband control bases" of Great Britain and France, thus retaliating with another wholly unlawful practice.

7. *What is the right of a belligerent to prevent exports or imports of goods of enemy destination, ownership, or origin, in the absence of an actual legal blockade?* On March 11, 1915, Great Britain issued an Order in Council providing for the detention or seizure of ships carrying goods destined for Germany or having origin or ownership there. Secretary of State Bryan had already instructed Ambassador Page to state that such a course of action would be "unknown to international law," and that "under the rules governing enemy exports only goods owned by enemy subjects in enemy bottoms are subject to seizure and condemnation." And on March 30, he notified Great Britain that the Order was in total violation of international law. On July 15, 1915, Secretary of State Lansing instructed Ambassador Page to state the American position regarding the seizure of American-owned goods on the American ship *Neches*, sailing from Rotterdam. The goods were destined to the United States but had originated partly in Germany. Ambassador Page was told "to inform the Foreign Office courteously, but plainly, that the legality of this seizure cannot be admitted, and that in the view of this Government it violates the right of the citizens of one neutral to trade with those of another, as well as with those of belligerents, except in contraband or in violation of a legal blockade of an enemy seaport." Great Britain did not reply to either protest until July 23, 1915, when it again asserted the right to intercept commerce from and to Germany even through neutral ports. On October 21, 1915, the United States in a Note in reply stated that the blockade under the Order, "cannot be recognized as a legal blockade by the United States," and that this Government "cannot with complacence suffer further subordination of its rights and interests to the plea that the exceptional geographic position of the enemies of Great Britain require or justify oppressive and illegal practices." Great Britain did not reply to this until April 24, 1916, and the Order in Council was continued in force until after the United States entered the war.

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It is to be noted that the Privy Council in 1920 in the *Noordam* case held that "the Order in Council [of March 11, 1915] is a reprisals order — that is to say, His Majesty, in the exercise of his belligerent right, has been pleased upon just and adequate provocation to resort to measures not prescribed by the general existing rules of the Law of Nations." And in the *Leonora* case in 1919 it held valid the more extreme Orders in Council of January 10 and February 16, 1917, on the ground of right of retaliation.

The failure of neutrals during the past twenty years to renew their opposition to such interferences with exports from and to neutral ports has resulted in a repetition of the same unjustifiable actions in the present war, by all the belligerents.

8. What is the right of a belligerent warship to stop neutral vessels on the high seas and remove therefrom persons who are not embodied in the armed forces of the enemy? The Declaration of London of 1909 provided for such removal only of persons "embodied in the armed forces of the enemy." What constituted such embodiment was left uncertain. Did it include reservists? As early as December 1914 the French cruiser *Condé's* removal from an American steamer of one Piepenbrink, a member of the crew, elicited a sharp protest from our Government. France responded by releasing the man "as a friendly act, while reserving the question of principle involved." A similar action by a German cruiser in April, 1915 — the *Muskogee* case — brought a similar protest. Removal of several Germans from various American steamers in December 1915 by the French cruiser *Descartes*, on the ground that they were suspected of German plots and intrigues in the West Indies, caused stiff demands by us that they be released from their unlawful detention. In February 1916, the British cruiser *Laurentic* stopped an American steamer, the *China*, on the high seas off Shanghai and removed 28 Germans, 8 Austrians, and 2 Turks travelling to American territory; the ground given was that they were about to engage in fostering rebellion in India. Secretary of State Lansing on February 23, 1916, termed this "an unwarranted invasion of the sovereignty of American vessels on the high seas," and on April 22 sent a sharp note stating that he could not allow this case "to become one of dilatory legal argument;" the rule of law was plain, he said, and had been accepted by Great Britain and the United States in the case of the *Trent* in the Civil War, that persons not in the military service could not be taken from neutral ships. He demanded immediate release

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and an apology for the disrespect shown the flag of the United States by the seizure. On May 8, 1916, Great Britain agreed to release the prisoners and expressed its regret at the occurrence, but continued to assert its right to remove such persons from neutral ships. Since the prisoners were not actually released for six months, Lansing, in notes of November 23 and December 1, 1916, setting forth in detail the American position, stated that:

> The Government of the United States can not submit to such treatment of American vessels and American seamen, and if it is the firm policy of His Majesty's Government to continue to hold these men and to arrest others in similar circumstances, the Government of the United States will be compelled, much as it would regret to do so, to take such steps as may seem to it necessary to protect American vessels and seamen from further gross violations of their rights.

No further action was taken and the question of law remained unsettled at the close of the war. Repetition of such incidents have occurred in the present war, and British warships have taken noncombatants off Japanese and American merchant vessels, using precisely the same arguments which we challenged in 1916.

9. What is the right of a belligerent to interfere with mail on a neutral ship on the high seas? The Hague Convention of 1907 (No. XI) provided that: "The postal correspondence of neutrals or belligerents, whatever its official or private character may be, found on the high seas on board a neutral or enemy ship, is inviolable. If the ship is detained, the correspondence is forwarded by the captor with the least possible delay." No attempt was made to abide by this provision in the World War. Beginning in December 1915, mail was seized and taken from Dutch, Danish, Swedish, Norwegian ships on the high seas — both mail going from those neutral countries to the United States as well as mail destined to the neutral countries. On January 4, 1916, Secretary of State Lansing wrote to Ambassador Page: "The Department cannot admit the right of British authorities to seize neutral vessels plying directly between American and neutral European ports without touching at British ports, to bring them into port, and, while there, to remove or censor mails carried by them." Mr. Page was directed to make a "formal and vigorous protest and press for a discontinuance of these unwarranted interferences with inviolable mails." On January 24, 1916, Sweden appealed for United States coöperation "to bring about a discontinuance of

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the violations of international law." On April 3, 1916, both France and Great Britain replied, stating that letter mail must be opened because of contraband having been found in such mail. Secretary Lansing replied, May 24, 1916, referring to the illegal and indefensible practice and stated that "the Government of the United States must again insist with emphasis that the British and French Governments do not obtain rightful jurisdiction of ships by forcing or inducing them to visit their ports for the purpose of seizing their mails, or thereby obtain greater belligerent rights as to such ships than they could exercise on the high seas." He concluded by saying that the United States "can no longer tolerate the wrongs which citizens of the United States have suffered and continue to suffer" through these lawless practices. This very inflammatory issue, however, remained unsettled. And finally, on October 17, 1916, Mr. Lansing sent to President Wilson a memorandum of a policy to be approved by him, in which he suggested that "we insist that mail outcoming from neutral countries in continental Europe shall be treated as inviolable and shall not be subject to detention, inspection or seizure." As to ingoing mail, he suggested that the question be submitted to arbitration or to a joint commission of inquiry to frame a *modus operandi* seeking to apply the conflicting principles equitably. This plan President Wilson approved on November 26, 1916; but our entry into the war stopped further action. The question has already arisen again. The protest of the United States to Great Britain was made public January 2, 1940; and in its answer Great Britain has used almost verbatim the language of 1915–1916.

Similar disregard of a neutral's mail rights was shown by Germany in the World War, and now again in the present war, in sinking neutral ships carrying mail. To Great Britain's contention that neutrals ought not to complain of her action, in view of Germany's greater wrong, the reply is conclusive; one wrong does not justify another. And as Mr. Lansing said to Germany in his *Sussex* Note of May 8, 1916, when Germany was seeking to involve the submarine question with British wrongs to the United States: "Responsibility in such matters is single, not joint; absolute, not relative."

10. What is the right of a belligerent to sink a neutral prize? On March 10, 1915, the German raider, *Prinz Eitel Friedrich*, arrived in Newport News. Previously a passenger steamer, she

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had been converted into a cruiser at Tsingtao and had left that port on August 6, 1914. For over seven months, she had cruised the Pacific and Atlantic Oceans without being detected or caught and had destroyed eight enemy merchantmen, and one American, the *William P. Frye*, a Seattle bark loaded with wheat consigned to British owners in Falmouth, Plymouth or Queenstown. The United States made claim on Germany for damages for destruction of the ship, and Germany admitted liability because of the existence of an old Treaty of 1799 between the United States and Prussia providing for non-confiscation of contraband and for release of a contraband-carrying ship to proceed on her voyage. Germany, however, claimed that under general doctrines of international law and under the Declaration of London, she had a right to destroy a prize where its preservation "would involve danger to the captor or to the success of the military operations in which it was at the time engaged," and where the ship itself would be liable to condemnation by a prize court. The United States challenged this general statement of law.

Since then, no international agreement on the subject has been had; and the United States is today in a definitely worse position than it was in 1915, the Prussian Treaty under which Germany then admitted liability being no longer in force, having been abrogated by the Treaty of Peace with Germany of August 25, 1921. It is entirely possible that, during the present war, an American vessel may be sunk in those waters where the present Neutrality Act allows such a vessel to transport contraband to a belligerent; and in such case, the United States will not have the protection of the old Treaty and must rely on doctrines of general law which Germany denied twenty-five years ago. Here is a question which nations have allowed to go unsolved since 1904, when Russia, then engaged in war with Japan, was the first nation to begin the practice of sinking neutral merchantmen. The Hague Conference of 1907 discussed the right of destruction of neutral prizes without reaching any solution. The Declaration of London of 1909 permitted exercise of such a right, but placed certain definite limits to it, in the nature of a compromise; but neither that Declaration nor any other solution has ever been accepted internationally.

11. What is the right of a neutral to permit the departure of aircraft intended for hostile use against a belligerent? A neutral nation's obligation to prevent the departure of warships is now recognized

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by international law, beginning with the Treaty of Washington and the Alabama Claims decision and following the adoption of domestic legislation on the subject by many states. It was crystallized in the provision of the Hague Convention of 1907 that: "A neutral Government is bound to employ the means at its disposal to prevent the fitting out or arming of any vessel within its jurisdiction which it has reason to believe is intended to cruise, or engage in hostile operations, against a Power with which that Government is at peace" and to prevent the departure of such vessel. This rule is based on the doctrine which forbids a neutral country from being a base of operations against a belligerent. There is little logic in the rule. Supplies of arms and ammunition obtained in a neutral country may make it, in fact, much more of a base of operations; yet such supplies are allowable and are merely treated as contraband. Which rule is to be applied to aircraft — the warship doctrine or the contraband doctrine?

In the World War, Ambassador Bernstorff in a Note of January 19, 1915, insisted: "There is no doubt that hydro-aeroplanes must be regarded as war vessels whose delivery to belligerent states by neutrals should be stopped," under the Hague Convention. The Secretary of State, in his reply of January 29, 1915, declined to accept this contention; and he called attention to the fact that Germany had included in its list of conditional contraband "balloons and flying machines." In the twenty-three years since the World War, there has been no international agreement on the subject, though the Air Rules suggested (but never adopted by the governments) by the Commission of Jurists at the Hague in 1923 made the proposal that: "A neutral Government is bound to use the means at its disposal to prevent the departure from its jurisdiction of an aircraft in a condition to make a hostile attack against a belligerent Power." And the Uniform Neutrality Rules adopted by the Scandinavian and Baltic States in 1938 also contain a similar proposal. There is grave question, however, whether *duties* of neutrals should be increased, until their present *rights* are recognized and protected.

12. What is the status of ships owned, operated, or requisitioned by a belligerent government? This question was presented to our Government in the cases of the *Luigi* and the *Attualità*, two ships requisitioned by the Italian Government to carry from the United States to Italy cargoes of grain and rails undoubtedly designed for government use in the war. The Italian Ambassador

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requested our Department of Justice to instruct the United States Attorneys to appear in Court and represent that these ships were public ships and immune from Court process. This action the Department declined to take; but if it had been taken, there might well have been a question whether the requisitioned ships were not supply-ships of the Italian Navy or Army and therefore to be treated in our ports as ships of war of a belligerent. A similar question might have been present relative to a British ship, the *Gleneden*, under control of the British Admiralty to carry a cargo of wheat consigned to the British Government (see *Re Muir*, 254 U. S. 522, in 1921).

A somewhat similar question arises over the right of a neutral government to loan money through government-owned, controlled or incorporated banks; or to sell to belligerents arms, potash, or other articles useful in a war when such industries are government-owned; or to enter into arrangements for government barter. This question might arise in the United States with reference to the Export-Import Banks. It was raised in 1916 with reference to the Federal Reserve Banks. Is there a difference in principle between such loans or sales by a government-owned bank or industries and actions by the Government itself? Professor Jessup has taken the position that "as governments extend their activities in fields of commerce, industry, transportation and communications, they necessarily enhance their neutral responsibilities." On the other hand, it has been contended that "if, in any war between other powers, a State like Russia were to be debarred from supplying any goods of military value to belligerents (in particular, in view of the continuing extension of the notion of contraband . . .) it would, in effect, amount to penalization because of a particular form of social organization. The tender fabric of international law will hardly stand such a strain. Either rights and duties of States must be equal in principle, or the international community will break up."

The fact is that statesmen and jurists must soon face squarely the grave question whether, in the future, provisions of international law which grew up between nations whose structures contemplated the existence of individual property rights can be applied or will be accepted by nations which recognize no private ownership or control of property within their territory as not subject to prior government rights.

The foregoing summary of controversies involving neutral

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rights is only partial. It omits many unsolved controversial questions, such as the right of "angary," the right of a belligerent to requisition neutral property prior to condemnation by a prize court, the right of a neutral to allow prizes to enter and remain in its port, the right of a neutral to refuse the use of its ports to a belligerent war vessel to repair damage received in hostilities, the right of a neutral to purchase in time of war merchant ships belonging to citizens of a belligerent nation, the right of a neutral to establish protective areas on the high seas beyond the three-mile territorial limit as well as to forbid passage through its territorial waters, and the far-reaching subject of rules to govern aërial warfare on land as well as on sea.

But even if incomplete, this summary clearly illustrates the folly of nations in not agreeing upon some code of maritime warfare during the past twenty years, and the necessity of doing so in the future if wars are not to continue to become more lawless than they are at present, or if every war is not to become a "world war" by the dragging in of injured neutrals. At present, a neutral nation possesses practically no rights on the high seas unless it is ready and able to fight for them. A neutral nation seeing its rights persistently violated has only the choice of protest without avail, or of becoming a party to the war. It has the choice of fighting for its rights, or of waiting to see whether after the war it can obtain damages in an international tribunal from a belligerent nation which, if a winner, will probably be insolvent and, if a loser, will be unable to pay. This situation should no longer be tolerated without some effort to change it. Any convention agreed upon by an international conference must grant to neutral nations some rights of freedom from loss of trade, property and lives due to a violation or continued violations of provisions of the convention; and it must grant some means of enforcement of such rights during a war against repeated violation by a belligerent. A neutral nation should at least be granted the right to adopt self-protective or retaliatory measures, either alone or in combination with other neutrals, without losing the status of a neutral.

The United States by the so-called Neutrality Act of 1939 — a domestic law passed to protect its national interests — has attempted to avoid some of the dangers to neutral property and lives arising from illegal acts of belligerents. It has set about doing this by voluntarily restricting its citizens in the exercise of some

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of their neutral rights. This has entailed great financial and economic loss and sacrifice of national interests. International law should be so changed in the future that a neutral nation shall not be obliged to make such sacrifice in order to keep out of war.

Underlying all this discussion, however, one fundamental fact must be recognized: it will be useless for nations to engage in any international conference or enter into any convention or treaty regulating maritime warfare and neutral rights unless they mean to keep their plighted word, or unless methods shall be provided for the positive enforcement of agreements against a violator. It is better that there should be no agreement than an agreement which parties do not intend to observe or to enforce when the conditions to which it is applicable actually arise.

All these considerations lead inevitably to the conclusion that the rights of nations, both neutral and belligerent, can be effectively protected in case of war only by the reëstablishment of some form of collective security provided by a regenerated League of Nations, or by a new international association or union of States of a more effective nature, willing to act and with power to act in case of the violation of a convention or treaty. Indeed, it may well be doubtful whether otherwise, in a world in which unwarned and unlimited aërial bombing is permitted, a small nation can in the future remain neutral, or even continue to survive.

In this connection, the recent united action of the American Republics under the Declaration of Panama in defense of their neutrality may well form the opening wedge for a more general union of nations desiring to remain neutral and having the power by economic and other pressure to remain so. The time may be closer at hand than we think, when the world shall not be wholly turned over to the belligerents and when peoples wishing to continue their peaceful pursuits without interference shall be able to compel those who want war to confine the war to themselves.

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TURKEY AND HER ALLIES

By Halidé Edib

I HAVE no doubt that simple people all over the world think of the present crisis in much the same terms, though of course variations are introduced by factors of geographical position and national outlook. Here is a typical conversation which took place between a Turkish boatman and a Turkish intellectual on the Bosporus. It was the day the papers had announced the signing of the Anglo-Turkish Alliance.

The boatman said: "The papers say that the English are our allies now, and I hear the French are too. It sounds like the Crimean War."

"What do you know about the Crimean War?"

"Grandfather fought in it."

"Do you approve of the present alliance?"

"I do."

"Why?"

"Because there may be war, and a great war at that. Naturally we will be in danger. We need allies. Our government was wise."

"Do you forget what those countries did to us after the last Great War?"

"I don't." He was evidently loath to consider two things at a time. He rowed silently for a moment, then stopped. Putting his hands on the oars he spoke with the graveness which characterizes the Anatolian: "You see we have strong enemies. In every great war someone wants to take our country. Those who want our country now are not the English or the French. Those who want Turkey are the enemies of the English and the French now. So they will have to stick to us."

He resumed his rowing, and added in a matter-of-fact tone: "We are always here to defend our Hearth and Home."

The last sentence illustrates the general outlook of the common people if ever and whenever they are faced with a dangerous complication. And it is an important point to remember in judging the psychology of the Turkish man in the street in regard to his country's foreign policy. Turks, like the English, face facts realistically. They let bygones be bygones, especially if bygones hamper their adjustment to life. And bygones usually do that.

The Greco-Turkish friendship rests on this basis. It is common

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sense which made us friends with the Greeks, it is realism which made us see that a Greece convinced of the necessity of Turkish friendship for her own sake is a safe ally. And the strength of our foreign policy today rests on the same popular backing which sees safe allies in the democratic nations because of our common danger and because of memories of the Crimean War still passed on from father to son. Though an alien propaganda center efficiently spreads anonymous leaflets about the ill will of our present allies, and about what they did to us after the Great War, and about how much better it would have been for us if we had chosen the opposite camp, the people simply shake their heads and go on approving thoroughly of Ismet Inönü's foreign policy.

There is a second point in the popular psychology in regard to our foreign policy which must be considered here. I will illustrate it by another conversation, this time between myself and a simple Turkish woman, by which I mean a woman who has not gone beyond the secondary school, a middle-aged mother, a link between the old order and the new. There had been considerable news in the press about an alliance with the democracies, giving the impression that our Government was already committed. A few days before the actual signing a rumor got about that possibly we might change our front. When the pact was at last signed the woman said: "Though I did not believe the gossip, I was anxious. We had to sign it. It would not have been right to change. We have always honored our word, written or unwritten."

Her statement represented the historical morality of Turkey in international affairs. It is a tradition which has persisted even in a period when we have been doing away with traditions. Can it be reconciled with common sense and realism? There has always been a school which claims that ability to deceive friends and enemies in politics, internal or external, is the only means to success. There is another which believes that a man must behave correctly and be true to his word. We hold to the latter. I hope that future events will prove that realism and common sense are natural partners of morality in all sorts of human relations.

Among the psychological reasons which account for Turkish popular support of the government policy, the strongest is the desire for peace. I shall speak in a moment about why this people, so trained in war, want peace. But peace they do want, and they wish to choose the best means to secure a peace that will last.

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How can they get it in a world where every nation is armed, and none knows whose turn it will be next to be attacked without a moment's notice? The answer is again simple: by standing shoulder to shoulder with those *whose interest and aim is to defend and not to attack*. If the Turk is forced to fight he will fight for peace as well as for the defense of decent values which decent people all over the world believe in. The alternative is a much more degrading slavery than that of the Middle Ages.

Therefore when propagandists against the alliance with the democracies, misjudging the quality of Turkish pacifism, say: "You would have kept out of the war if you had acted differently," the common sense of the Turk answers: "What of Czecho-Slovakia? The Czechs handed over to you the Sudeten lands which rightly belonged to you. They did what you said. Where are they now?" When the same propagandists whisper: "If you were on our side you would gain this and that," the realism of the Turk retorts: "We do not want to gain anything, we want to preserve what we have."

Let us now turn from the simple people to those who hold the country's destiny in their hands and can sign pacts and alliances, in brief, official Turkey. Here is the gist of what those in authority have said to the writer of this article:

Except for the very youngest, every one of us remembers the Great War and knows something about its horrors. We were deeply wounded in the Great War. But through the struggle and sacrifice of that period we also acquired a new vitality and a new faith. It is this which within the short space of sixteen years enabled us to build a new country on the still smouldering ruins of war. Every Turk is proud to have taken some part in that construction. It is natural that the children of such a generation should want peace. Turkey has chosen the only road which will enable her to do her duty both towards her own people and towards civilization. For she wants peace, not only for herself, but for her friends and neighbors also. The Balkan Pact and the Saadabad Pact between Turkey, Afghanistan, Iran and Iraq are outward expressions of that ideal. Every country which respects the rights of others and loves peace is the natural friend and ally of the Turkish Republic. Similarly, any Power blind enough to threaten Turkey and her security in any form should be warned that every Turk who loves his country will, if need be, fight.

After giving these interpretations of public psychology and of

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official opinion, and after drawing attention to the striking resemblance between the two, I should like to define the present crisis from still another angle — that of the twentieth century. For, to me at least, the present crisis is merely an acute phase of the accumulated travail, birth pains and growing pains of the new era which has that name. Though the twentieth century is forty years old it still has not recovered from the shock it received when it was fourteen.

Materialism, egoism, racism, complacency, hysterical pacifism, hysterical mysticism have grown to such extremes and combined in such a way as to lead inevitably to the present disaster. Materialism, interpreted both from the individual and the national point of view, led to an unlimited egoism. There seemed no place for any other value, "I" occupied so much space. That led in turn to a series of dictators with divinity complexes. Nothing less than the whole habitable earth could suffice them. Racism, the ideology of the chosen race, threatened every people who happened to be born outside of it. Hysterical pacifism in the democratic countries was another malignant growth. For the hysterical pacifist is the deadliest enemy of peace. Whoever wants peace without being ready to pay for its maintenance with the sacrifice of the best in life, nay with life itself, will have no peace. Hysterical mysticism became the handmaid of every unreasonable or bullying human organization. But most of all it was complacency which caused these malignant growths to reach such gigantic proportions. Intellectuals who sensed the danger sat in heated rooms and discussed the situation in poetical terms. No one attempted to define the danger and the necessity to act. And when the body of a sick man refuses to react strongly against disease, and his mind shirks the necessity of an operation, he is doomed.

This seemed the case of Western civilization in the year 1939. I thought the twentieth century was about to turn into the ghastliest, the most nightmarish, in human history. It might, I thought, land us back into a dark age, but organized, refined and perpetuated with twentieth century techniques. Then, during the last months of my stay in Paris in that year, a change seemed to come in the atmosphere. There emerged a new and unexpected sanity of view, a gradual rise in courage to face the surgeon's knife, a sturdier will to live, a hope that still the century might be saved.

In 1940 I believe in the possibility of the survival of Western

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civilization, that is, in the possibility of its being regenerated. Millions and millions of men and women share the same faith. Their struggle to restore sanity and then peace to a sorely stricken world has only just begun. But so long as the unity of purpose lasts, so long as the struggle to prepare for the worst continues, so long as there is courage to face the consequences, whatever they may be, then the world has reason to hope that after all the twentieth century may lead humanity forward and not backward.

Now let me try and describe Turkey's permanent aims. The American reader may say: "You started the article from the wrong end. You have wandered away into a twentieth century allegory. Why are you beating about the bush? If Turkey's aims do not seem permanent to you, say so briefly and be finished."

I gave precedence to public psychology in discussing Turkey's aims in the present crisis because its oneness with the official outlook invests it with permanence. I jumped to the twentieth century because all aims are affected one way or another by the century they belong to. I left the permanent aims of Turkey to the last because we have to be clear about the term *permanent.*

If one asked almost any American about the permanent aims of the United States the answer invariably would be, "To safeguard democracy." With due consideration to the more or less varying interpretations the twentieth century may put on democracy, one still may stick the label "*Permanent*" on American democracy. For, though the impact of events or personalities may have quickened or slackened the belief in democratic principles and the local practice of them, America has remained democratic. Further, through a reasonably long past, gallant sacrifices have been made for the safeguarding of democracy in America. They invest it with the atmosphere of habit, of permanence.

In a book called "Turkey Faces West"[1] I have put down Turkey's aims as I see them in the light of personal experience and historical knowledge. Turkey has been facing West from the first years of the nineteenth century. Destiny has forced her to be a Western country. The struggle between the old order and the new lasted in all for nearly a century. There was stiff resistance and gallant sacrifice. Now the Old is wiped out. The mission and the duty of the Turk of today is no longer to fight the Old, but to discriminate between the bad and the good of the New.

Three radical attempts were made to Westernize Turkey — in

[1] New Haven: Yale University Press, 1930.

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1826, 1839 and 1908. Barring Abdul Hamid's reign (1876–1908), Turkey struggled valiantly during most of this time on the road to Westernization. With Lausanne, another New Turkey was created, this time a republican one. Ataturk and Ismet Inönü were its leading spirits. Because of its foundations in the past, because of the unusual daring and force of those who created the Republic, it rests on safe and solid ground. Ataturk is no more. Ismet Inönü is today the supreme leading figure of New Turkey. What I had to say about Ataturk's genius as a ruler and reformer I have said in "Turkey Faces West." Suffice it to say that modern Turkey is irrevocably Western.

A country's internal development necessarily accords with its own indigenous cultural and historical forces. Just as democracy colors American life, so Westernization colors ours. What type, one may ask? For there is the West of the democracies and the West of the totalitarians. In the year 1940, one can say that it is the democratic type which Turkey has finally had to adopt. Our partnership with the great democracies for defense and for the safeguarding of broad human values will thus have to be long-termed. If the war ends tomorrow we shall have to go on coöperating for the safeguarding of peace and for the restoration of sanity and the values for which we had been ready to die. Past experience and the road of destiny have led us to democracy and tie us to the nations which exemplify it.

That this is fully realized by the rulers of present-day Turkey is evident in the historical speech made by our prime minister, Refik Saydam, on January 18, 1940. He said: "Our régime is based on constitutional principles. We respect the liberties of all. . . . A system which aims to rule without control [irresponsibly] is an easy one, but such a system is not acceptable to us. Our goal is not to govern without control, but to ensure prosperity and progress through the safest methods. The safest way, in our opinion, is the one which leads to a responsible democratic régime."

Refik Saydam's words must be considered as the result both of sixteen years of experience in power and of an ability to discern what is best for Turkey's internal development. Turkey is at the moment far advanced in its transition. The final adjustment of what has so far been accomplished along educational, social, economic and other lines demands wisdom and foresight and patience rather than force. The adjustment must be made in as

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democratic a spirit as conditions in the country permit. Ismet Inönü and Refik Saydam have the experience and ability for carrying through this difficult and delicate task.

The foreign policy of any country is determined by its national interests as well as by its cultural and moral inclinations. From this angle, too, Turkish foreign policy has aims which we can speak of as permanent. There is no space here for a comprehensive survey, but we nevertheless may glance at that area which at the moment figures on the front pages of the world press — the Balkans — and also at the policies of the Powers which seem to have designs there.

Alliances with the Balkan nations for both economic and defensive purposes are important for Turkish security. They also are necessary for the security of the Balkan nations. Republican Turkey realized this and took a prominent part in promoting the Balkan Pact. If the countries concerned remain closely united among themselves and with Turkey they can hold their own, can escape being caught in imperialist designs of Great Powers, and can live in peace and prosperity. This much can be added definitely: If in the near future one of them breaches the common front and brings war to the Near East that one will not be Turkey.

Italy talks poetically about the Mediterranean being her national sea. The designs she has had on Turkish coast towns can never be realized without the connivance of England and France and the help of Germany and Russia. It is out of the question that England and France would connive at an Italian annexation of Turkish territories now. Even at a time when Italy was their ally they did their best to restrain her from gaining too much power in the Mediterranean. And Italians must be astute enough to see that whatever Germany may promise now, she is the last Power to allow them to establish themselves in an area which she considers part of her own "*Lebensraum*." We hope, then, that out of common sense Italy may keep out of the Balkan adventure. But common sense has not been characteristic of any of the totalitarians. They play for very high stakes and they may take high risks. Therefore Turkey must be ready for the worst. From this point of view, both now and in the future, Turkey has to cooperate with England and France to keep peace in the Near East.

Turkey's relations with Russia have been more than friendly for the last twenty years. New Russia stood by us at a critical period in our history. We have been loyal to each other. Further,

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the new régime in Russia had an admirable peace policy; it set a good example in foreign affairs. Unfortunately all that was changed by the Soviet's alliance with Nazi Germany, followed by its recent campaigns in Poland and in Finland. Is Soviet Russia really reverting to the imperialism of Tsarist days? We find it both painful and hard to believe. Good relations between Turkey and Russia are of primary importance for both countries. A Russian attack on Turkey at the moment would involve harder sacrifices and greater risks than any involved in the campaign in Finland. It would mean a fight to a finish with seventeen million Turks, men and women. Germany, who now encourages Russia to march on Turkey, would merely wait her time to turn on Russia. All this, however, is the reasoning of ordinary common sense; and, as I have already noted, the totalitarians are guided by considerations entirely different from common sense. Hence Turkey must be ready to face the worst from the Russian side. The only preventive for such a calamity — if it can be prevented — is the alliance with England and France.

Turkey has had friendly relations with Germany since the Great War. Economically we were tied to Germany by fifty percent of our imports and exports. This ought to have been enough to ensure enduring cordiality. But unfortunately Nazi Germany claims parts of the Near East, even parts of Turkey, as her "*Lebensraum*." In the face of this menace what can Turkey do but ally herself with Britain and France, the only two countries which can and must restrain German as well as Russian imperialistic expansion in the Near East?

I need add nothing more. Destiny imposes Turkey's alliances and historical necessity will make them permanent.

Ataturk, after leading the epic struggle of the Turks to a successful conclusion, had the good luck to be left free to carry through his reforms and internal changes with no war cloud on the horizon. Ismet Inönü came to power at a menacing moment in world history. I say in all sincerity that it would be difficult to conceive anyone more suited to the task of seeing Turkey through the present crisis. As a man, he is representative of the simple Turk at his best. He understands both the weak and the strong points of the human materials which form the ruling machinery. His personality creates an atmosphere of national unity at home; and in foreign relations his experience and his high moral qualities give him a special position on the international peace front.

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WILL STALIN SELL OUT CHINA?

By Edgar Snow

THE formation of the Moscow-Berlin Axis, followed by the conquest of Poland and the attack on Finland, has changed the balance of land power in Asia and of sea power in the Pacific. China's struggle for independence is now more than ever tied up with the fate of Europe, while at the same time the field in which she can manœuvre diplomatically has become even more restricted than hitherto. Though the Nazi-Soviet Pact has deprived Japan of a fickle friend in Hitler, it has at least immobilized two hated rivals, France and Britain. On the United States, too, the "diplomatic revolution" of August 1939 has imposed new hazards and heavy responsibilities.

But with the Chinese the question overshadowing all others is whether Stalin will sell them out. They are in deadly fear that Japan and Russia may yet get together to concoct a pact against them. From the consequences of such a pact the United States could not remain immune: a real Russo-Japanese alliance might well have the United States as its chief victim.

How far will Stalin go? Is there a limit to the new Commu-Nippon courtship, and if so, where? I have asked — and been asked — for the answers, from Sian to Hong Kong. Some hasty observers were gleeful when Japanese generals, the cuckolds of Nazi betrayal, ignominiously liquidated their anti-Comintern cabinet, and in temporary confusion restored to the civilian parties a faint voice in Japanese politics. But the generals, or rather Admiral Yonai, may have the last laugh.

The European war has definitely eliminated the remote chance of independent action by Britain and France, two of the three land and sea Powers capable of challenging Japan in Eastern Asia. Today the United States remains the only maritime Power that acting alone can menace Japan; and only Russia can offer a major threat on land. Perhaps only the United States and the Soviets, together with China, could now bring about a speedy humiliation of Japan. Considering such an arrangement highly improbable, the Tokyo diplomats have decided that business isn't so bad after all.

In an article I wrote last summer I explained why Britain was impotent to take naval action against Japan in Eastern waters.

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Subsequently Mr. Chamberlain admitted in Parliament, rather naïvely, that such indeed is the case. Since then Britain's position in the Orient, along with that of France and the Netherlands, has worsened. Despite the comical collapse of the anti-Comintern basis of German-Japanese coöperation, nothing can prevent Japan from exploiting the physical fact of German attacks on the Allies. Conceivably, Britain and France might even now take reprisals against Japan if the United States led the move. Otherwise, wide appeasement of Tokyo becomes imperative for the Allies.

By her recent invasion of Kwangsi, Japan closed the last seaport on the southern coast, and acquired for the first time land bases within easy operating range of France's richest colony. From Kwangsi the Japanese control China's main highway and dominate her only railway connection with Indo-China. The French recently put still further restrictions on the use of this railway, but the Japanese demand its absolute closure to many vital supplies. In February they began a heavy bombardment of the line to emphasize their threats. The French Ambassador in Tokyo would like to reach a permanent accord with Japan by persuading Chiang Kai-shek to end the war with a compromise.

Should the British make a similar capitulation by limiting traffic over the Burma road to Yunnan, China would be almost cut off from all aid, other than financial, of the nations beyond the seas. Already the southern routes have lost much of their value. Shipments of European war materials have been reduced since last July by over 60 percent. There are Chinese who consider it possible that by next spring they may be left with only one way open from Chungking to Europe: the 2500-mile road across the mountains and grasslands and deserts of the Northwest through Chinese Turkistan into Russian Central Asia.

Those facts, as well as Russia's new security deriving from the pact with Germany, greatly strengthen the Soviet strategic position in Eastern Asia. Here, as in Europe, Stalin holds the balance of power. Today the Kremlin can, without much difficulty, give increased help to China, reject any real collaboration with Japan, and encourage Chungking to continue resistance. Or it can seek an alliance with Japan, attempt to arrange a Sino-Japanese compromise, and unite the two warring Orientals in a joint campaign against far greater game, the Western Powers. Or it can sign a simple non-aggression pact with Japan, in which each recog-

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nizes the other's sphere of territorial or strategic interest but is left free to make its own policies toward China and the Pacific nations. Or it can merely draw close enough to Japan to make any one of those moves seem possible, using "war-of-nerves" tactics to keep the Orient in a continuous state of suspense.

After the Russo-German Pact was signed Chinese Communists conceded that Soviet-Japanese rapprochement was not impossible. The Nomonhan Truce, which ended the heavy Russo-Japanese border fighting in Mongolia, confirmed their opinion. By lucky coincidence I happened to be in Yenan during the European events climaxed by the invasion of Poland. This bomb-shattered citadel, far up behind the guerrilla front near the Great Wall, is today still the capital, after 33 months of war, of a regional Communist government in China. To Yenan hundreds of thousands of armed Communists in China, Manchuria and Mongolia, look for guidance from their leader, Mao Tse-tung.

I spent many hours talking to Mao. There is no question that he completely approved of current Soviet policy in Europe. "Hitler," he chuckled, "is now in Stalin's pocket." He did not say so, but it must have occurred to him that there might be another Stalinite pocket for Japan — perhaps a vest pocket. For he agreed that a Russo-Japanese reconciliation had become a possibility "within the logic of Leninism." This apparent complacency is explained farther on.

So it was no surprise to the Chinese Reds when, in October, Molotov made his conciliatory remarks concerning Japan, and Stalin sent a new Soviet Ambassador, Smetanin, to restore a friendly atmosphere in Tokyo. He and Mme. Smetanin drank tea with the Mikado and the Empress. Shortly afterward an agreement was signed arranging for the opening of formal talks. These settled disputed questions of fishery rights and payment for the Chinese Eastern Railways. Meanwhile, in Hong Kong a high and worried British official exclaimed: "America's uncompromising attitude is throwing Japan into the arms of Stalin. British interests are at stake. America must either act out here, or hush up and let us reach our own agreement with Tokyo."

The question now is: What next?

Before we give an answer, we must try to comprehend the bases of Soviet political strategy. To do that we must get along without devils or saints, without the muddleheaded sentimentality of either Left or Right. We are required to pass a judgment, not

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voice a prejudice. And we should endeavor to make it as nearly scientific as possible. Otherwise we will find it difficult to understand the Comintern mind and why it continues to be a powerful factor in the Orient. The penalty of making a decision on erroneous preconceptions might be war. I do not propose here to offer any easy lessons in Stalinism. I only wish to set forth a few principles relevant to an estimate of Soviet strategy in the East. I have been studying this subject on the spot for a decade, not simply as historical data, but as it affects living men.

Soviet strategy is based, in the reasoning of those Communists whom I understand, on somewhat the following credo. First, a joint "imperialist war" against the Soviet Union is almost inevitable. During and after the Allied intervention against the Reds, Lenin's tactics were strongly influenced by that belief. He was then dealing with reality; we should not forget that even the United States joined (with Japan!) in the invasion of Siberia. Only after the end of foreign intervention and the painful abandonment of the early theory in which Marx, Engels and Lenin himself had assumed that proletarian dictatorship would occur more or less simultaneously in all countries or in none, did the Bolsheviks begin to see that they might win a period of peace permitting them to "construct Socialism in one country." Nevertheless, the fear of a second invasion was politically useful and was carefully nurtured to help consolidate Communist power. Russia remained, therefore, the "threatened base of the world revolution." Everything else was made relative to the pivotal fact of "capitalist encirclement." The Comintern repeated *ad nauseam* what Lenin said in an early period: "All the events of world politics are inevitably concentrating around one central point, namely, the struggle of the world bourgeoisie against the Soviet Russian Republic."

Under Stalin this belief came to have in practice a more particular meaning. All interests of revolutionary parties in other countries had to be subordinated, or sacrificed if necessary, to the needs of Moscow's foreign policy. Such interests were "partial" or "local" in character. The universal interests of the working-class parties were identical with the task of preserving the "base" in the U.S.S.R. Any step which strengthened the strategic security of the Soviet state, therefore, was in the long-view interests of all Comintern parties, even though it might mean their virtual extinction — as it did in the case of the Com-

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munist organizations in France and England after the Soviet-German Non-Aggression Pact. Moscow was quite sincere, after 1927, in advocating international peace. While peace lasted, the contradiction between the capitalist and socialist worlds could be expressed by internal class conflicts. Intensification of class antagonisms within the various national states, as well as between them, meant prolongation of the "breathing spell" in which to make the Soviet Union impregnable.

The Communists believe that bourgeois states may assume a variety of forms — military dictatorship, parliamentary democracy, Fascism, Nazism, etc. — but that there are no fundamental differences between them. Nevertheless, the Comintern makes distinctions between actively hostile and temporarily friendly states, so that Moscow may combine with one or the other in order to "utilize the contradictions between them" and to "divert the imperialist war" to other countries. Stalin has no objection to a quarrel confined to capitalist states; for, as he remarked last March, "the second imperialist war may lead to the victory of the revolution in one or several countries." Hence it is the Comintern's duty to "convert imperialist war into civil war" and to "defend the Soviet Union by both constitutional and unconstitutional means," including "working for the defeat of one's own [imperialist] country."

Lastly, the promise of "ultimate victory of the world revolution" is predicated upon the belief that the capitalist Powers will proceed to dissipate their resources and man power in inter-imperialist war, undermine their own security, cancel out the greatest achievements of capitalist civilization, bring about the complete moral and material bankruptcy of "bourgeois society," and lay themselves open to internal disintegration, revolution and final destruction if they clash with Russia.

Against that framework of logic, which is simply a special terminology of power politics to anyone but a devout Stalinist, every manœuvre of Soviet policy is consistent. The Hitler-Stalin Pact is just as logical a part of the general strategy as was the "democratic front against imperialist war and Fascism." If left-wing liberals, idealists, and even some Communist intellectuals — in whom Stalin's interest is purely utilitarian — were shocked by the former it was because they never understood the strategic purpose of the latter. Nor does it seem likely that Trotsky, had he kept power, would have followed a greatly different

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strategy; for that strategy is not simply the result of Stalin's will, but the synthesis of a vast complex of historical conditions plus the special limitations of Russia.

No, it is not the Red Dictator, but the disillusioned liberals who are inconsistent. For, logically speaking, a mere shift in the *tactics* of Soviet foreign policy should not shake a faith based on the internal physical facts of the Stalinist Utopia, which are exactly as before. All that has happened is that Stalin, taking advantage of a favorable world situation, is grabbing territories wherever possible without (he imagines) risking a "serious" war.

Now, it is an observable fact that a political folklore, if persistently fostered by a ruling bureaucracy, and believed and acted upon by masses of men, in time becomes in itself a dynamic social force which helps to set up its own dialectical reaction. Presently, for instance, the "joint imperialist attack" may cease to be the hypothesis that to a large extent it was even as late as last July. Before the invasion of Poland and Finland, the "little people" who fight the world's battles could not have been induced to become cannon fodder against non-aggressive Russia. Today, now that the "little people" everywhere have lost sympathy for the Soviet Union, such a war becomes a living possibility. Finland provided the anti-Communist standard-bearers with a necessary moral slogan. It is at least thinkable that Britain and France will eventually find a *modus vivendi* with Germany and mobilize Europe against the Soviets.

The point is that the same danger now confronts Russia in the Orient. More than ever, therefore, the strategic principles mentioned above become a guide to Soviet action. Keeping those credos in mind, what would an alliance with Japan offer to Moscow? Viewed from a materialist viewpoint — and no Communist has ever claimed Stalin is an idealist — the possible advantages are about as follows:

A Russo-Japanese alliance would remove the danger of an anti-Soviet combination in the Pacific, now feared by Moscow. It would give Stalin a free hand in Europe. It might encourage the Japanese, as well as some elements among the Chinese, to launch an attack on Britain. It might embolden Japan to risk war with the United States — long devoutly wished in Moscow. In case Russia became directly involved in war with the British, the fact that the border between Manchukuo and Siberia was peaceful would enable the Soviets to concentrate their military strength

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along the Indian frontier. Japan's naval predominance in the Western Pacific would also be of value to Stalin.

In exchange for Russia's promise of help against Britain and France (or the United States), and for her friendly mediation in the Sino-Japanese war, Japan might agree to abandon her anti-Comintern slogans and tolerate the existence of Chinese Reds as neighbors. Should the Japanese blunder into war with the United States and Britain, the long-run outcome would be of advantage to Russia. For such a war would leave the Bolsheviks in a dominant position *vis-à-vis* an exhausted Japan, a revolutionary China, and a United States and Britain lacking decisive land power in Asia.

Japan might also find that a Russo-Japanese alliance offered superficial attractions. With Russia as an ally she would have less fear of the effects of an American embargo. Presumably Japan would be given access to Siberian resources, including petroleum, steel, iron and coal. Russia could please both Japan and Germany by giving their trade facilities over the Siberian railways. If Japan could really feel free of all menace of invasion from Siberia, she would release her reserve forces for a quick cleanup and consolidation in areas mutually agreed upon. The elusive conclusion to the China Incident might be found, and the navy freed to pursue its "southward expansion" program.

But how could such Japanese gains be reconciled with the advantages expected by Russia? The political basis of Japan's aggression in China is weak enough now. After her anti-Comintern slogan had been scuttled would not her bid for Asiatic political hegemony collapse entirely? Sections of the army might not fall into line. The effects in Manchuria and Korea might also be explosive. As a well-informed Japanese newspaper editor explained it to me: "The trouble is that nobody could get to the Emperor with such a proposal. Not because the Emperor would not listen, but because it would almost be necessary to seize the Palace in a *coup* in order to overcome the army's opposition to its presentation."

A Russian alliance, moreover, would probably bring about Anglo-American naval coördination. This is the one thing Japan wants to avoid, since it would at last give her two most hated rivals an effective point of unity. At the very least Japan would lose her markets, her sources of raw materials, and her credit in Britain and in the United States. If it came to war, she could not

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rely on Russia to see her through to victory, except on Bolshevist terms. Japan, too, suspects that Hitler is in Stalin's pocket, and does not envy him his position.

And for Moscow, too, there are disagreeable possibilities to pose against hypothetical temptations. Stalin could no more trust the Japanese as a permanent ally than they could trust him. In practice he could no more reduce his border defences in Siberia than he can today reduce them in the Ukraine, despite his pact with Hitler. Instead of forestalling an Anglo-Japanese entente, a Russo-Japanese alliance might provoke a real Anglo-American anti-Red front, to which Japan might readily desert.

Finally, in fighting for herself, China is necessarily fighting also for the strategic security of the Soviet Union. It would seem unrealistic for Moscow to immobilize China's war machine in exchange for a dozen alliances with a nation that breaks treaties as easily as most people break a soft-boiled egg. Obliged to deploy an army of nearly a million men below the Great Wall and forced constantly to replenish it, Japan cannot seriously think of invading Siberia. Even British officers along the China coast have now stopped drinking toasts to the "second Russo-Japanese war."

The fact is that a "Fighting China" is an indispensable decoy, just now, in Soviet strategy. It diverts war from Russia, keeps Japanese ambitions in China irreconcilable with American policy, deepens estrangements, increases the range of "inter-imperialist collision," and brings internal revolt nearer in Japan. As long as Anglo-Japanese-American dilemmas are unresolved because of the war in China, the "capitalist encirclement" in the East, as in the West, is incomplete. Continued Chinese resistance in the hinterland also means greater Soviet economic and political entrenchment in western China. Russia loses nothing by Japanese activities on the eastern coast, where she has nothing at stake. She can mirthfully watch Japan's "strip tease" acts at the expense of John Bull. And all the time millions of Chinese, growingly dependent on Soviet friendship, are being conditioned as useful allies for the future. To sell out China would be to sacrifice Russia's best guarantee of maximum security with minimum risks.

Another factor must interest us. China is the only non-Soviet country where Stalin may, in a sense, be said to have a reliable armed ally. I refer to the Chinese Red Army, which now operates under various divisional insignia in common cause with the Na-

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tionalist Government. But it remains, nevertheless, an army under the absolute disciplinary command of the Chinese Communist Party, which loyally adheres to the Comintern and may be counted upon usually to support it. It differs from Communist parties in Europe and America; for they represent no fire-power factor whatever, and therefore do not enter into Stalin's military calculations.

Yet Stalin cannot be absolutely sure that the Chinese Communists would always and everywhere follow any Comintern directive. Mao Tse-tung emphasized to me that a Russo-Japanese rapprochement was a "Leninist possibility" *on condition* that it "does not interfere with Soviet support for China." This is not so contradictory as it sounds, as I shall show farther on. The significant thing is that it exhibits a certain amount of independence of judgment not always characteristic of Communist parties elsewhere.

The reasons are obvious. Here is a party with many years of unique experience in armed struggle for power, during which, with but little encouragement from Stalin, it built up a considerable military organization, acquired wide practical political and military experience, wrote some minor epics of history, and developed a degree of morale, fortitude, courage and self-reliance unequalled in China. It has a tradition and resources all its own, independent of Russia. It has something else, which no group of mere Marxist theoreticians possesses: the daily sobering responsibility to a nation for the defense and administration of big areas which it actually controls. Mao Tse-tung and the other leaders won their following with little or no physical help from Moscow. Long contact with the unusual responsibilities of insurgent power has engendered in them a considerable degree of nationalist feeling. Stalin is very likely aware of this, and would not expect their approval for a policy inimical to the interests of China, or one which might destroy their prestige and strategic value.

In any case, there is as yet no indication that the Russians will withdraw their support — which has been far greater and more consistent than that of the United States, whose "help" remains largely rhetorical. Travelling over the new Northwest Highway to Sinkiang (I have just returned from a long trip over part of it) one discovers, for the first time in history, signs in Russian. These guide the crews of hundreds of trucks (Soviet-made, but of American models) which are now bringing in supplies across the

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desert from Turkistan — mostly bombs, torpedoes and shells to service Russian planes and artillery. The construction of this highway was not a caprice, but involved careful planning, immense labor and long-view strategy. Dozens of repair shops, storage depots, rest houses, and munitions dumps had to be built over hundreds of miles of wasteland. An army of road workers, engineers, cooks, interpreters, mechanics and officials was mobilized to service the new system. And there is an air of permanence about these establishments.

Near Chengtu, close to the Tibetan border, Russians are helping in the construction of a center for aërial activity in China. About 150 Soviet Russians were billeted near the place when I was there in October, and the Chinese told me they were preparing accommodations for 600. At Lanchow, in the Northwest, there were about 50 Russian trainers, pursuit ships and bombers, and 50 more were expected. Preparations suggested that Russia intended to maintain a force of perhaps 250 planes of all types in the western provinces.

In addition to her air force personnel, Russia has in China a number of military instructors, advisers and technicians. Exactly how many it is difficult to say: Moscow insists upon secrecy and probably with good reason. But there are more Russians than there ever were Germans — and the German mission at one time numbered over a hundred. Several dozen Russians are quartered in a commodious apartment house at Chungking, where they teach in various military schools and occasionally advise the Generalissimo. There are also Soviet advisors with nearly every army at the front, most of them young officers trained entirely in the Red Army.

Even Chang Ch'un, until recently anti-Red Vice-Premier at Chungking, told me that Russian military credits — the figure is said to be 750 million rubles — were "very generous and entirely adequate." China's main problem is not so much to find means for purchasing armament goods as for transporting them to her bases. In payment for the enormous credit, Moscow reportedly agreed to accept the Chinese dollar at its prewar value, which helped save the Chinese currency. More significant, perhaps, is the fact that final arrangements for the credit were not completed until August, shortly before Moscow's pact with Berlin.

All this is not being done for Chiang Kai-shek, over whom Stalin (remembering 1927) probably wastes less love than does

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Tokyo. But Chiang is the pivot, just now, of a United Front between Nationalists and Communists, which is still the Communists' basic condition for resistance to Japan. Until recently Moscow required no other assurances from the Generalissimo. Not a single truckload of Russian military supplies, not a Soviet plane or gun, not even an adviser, was permitted to go to the Chinese Communist troops. All Soviet equipment was delivered direct to the central command.

After September, however, when Chiang's dependence on Moscow increased enormously, it became evident that he would have to concede a measure of political and military equality to the Chinese Reds. The latter began a campaign of vociferous criticism of the Government, undoubtedly with the support of Moscow. It was this new sense of internal power (which I felt reflected in Mao Tse-tung's conversation with me) that I think made Chinese Communists feel satisfied with Stalin's manœuvres in Europe. Mao demanded an end to the one-party dictatorship of the Kuomintang, and the establishment of a representative democracy in which Communists could have a voice. He also demanded the elimination of all "wavering" (pro-peace) and anti-Soviet elements from the Government, an end to sporadic armed attacks against Communist troops, and an end to other forms of sabotage and discrimination.

Chiang's efforts to conciliate his Communist supporters, both indigenous and otherwise, are evident in his surprising *volte face* on "democracy." In the last interview I had with him he declined to be quoted to the effect that even local democracy was advisable in China. Yet in November the Kuomintang met in plenary session and, at Chiang's behest, passed a resolution promising to convene a constitutional convention in 1940, to liquidate the "one-party dictatorship" over the central government, and to inaugurate the long-deferred representative democracy. Meanwhile Soviet Russians in China say frankly that the main barrier to increased aid from Moscow is the extremely slow rate of political progress since the war began.

Russia already has a strong political voice in the Turkistan régime, which is beginning to resemble that in Outer Mongolia and which may be considered a strategic bulwark of the Red empire. There is at present no necessity for arbitrarily seizing so friendly an area at the expense of antagonizing Chiang Kai-shek and stampeding Chungking into an anti-Soviet peace compromise

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with Japan, arranged by Britain and France. At enormous cost, Japan has created a "New Disorder in East Asia" that beggars all former concepts of chaos. Stalin, by patience and practical political sagacity, has the possibility of creating an order in West China of real strategic value.

So the prospect in China is not unattractive for Moscow. Until an alliance with Japan can offer a future of more specific promise than is now clearly immanent in continued Soviet coöperation with the Chinese, there will be no sudden changes in Stalinist strategy. But future change is by no means to be ruled out entirely. It may occur, though by no means "inevitably," under any one of at least four conditions: (1) an Anglo-Soviet war; (2) an anti-Communist split in Chungking, possibly backed by Britain with some American connivance, and with the object of capitulating to Japan; (3) the imminence of an Anglo-Japanese alliance, or even a basic reconciliation, which Moscow holds can only be anti-Soviet in nature; and (4) an Anglo-Japanese or a Japanese-American war.

Barring those conditions, there remains the possibility suggested in an earlier paragraph: a simple non-aggression pact, providing for closer trade relations with Japan, to keep Tokyo on Moscow's diplomatic hook, but excluding the question of either nation's policy toward the Chinese Government. Though such a possibility may on its face seem to be fantastic and incompatible with the Soviet position in western China, it nevertheless represents the most probable *limit* of Russo-Japanese rapprochement just now. But even this, unless the situation becomes urgent, will be pursued in a leisurely war-of-nerves manner in order to produce the most exquisite jitters in all the capitals concerned, and perhaps provoke them into some action of ill-considered haste.

The policy of the United States in the Western Pacific is no longer static but dynamic. Whatever the American public may think, we are no longer neutral in Japanese eyes. We are no longer passive objectors to Japanese aggression; we are taking active steps to check it. The consequence of a judgment is its execution. Such directed movement of a great nation's policy, once begun, must be maintained by anticipating all the obstacles in its path, and planning to manœuvre among them. The weeks and months ahead require piloting of the most consummate skill.

Which is another way of saying that the United States is now

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deep in the power game in the East, and willy-nilly must adopt the methods of *Realpolitik* to play it. What will those methods be? Obviously, a first necessity would seem to be to seek more positive understanding with other Powers affected by our move against Japan. Specifically, Washington may try to prevent the realization of those conditions under which Japan would get that indispensable help from Russia, without which she could not contemplate a fight with the United States.

First. The United States has already asserted the validity of its treaties with and concerning China. This action is based upon a secondary assumption that the unity and aims of the Chungking Government, and its friendship for the United States, are dependable constants and will endure against all pressure. But it would be naïve not to take all measures insuring that such a faith will not be betrayed. To risk war by penalizing Japan, without identifying that stand with direct help to China on concrete terms of lasting coöperation, would be to prepare for battle by leaving the decisive flank open.

Second. Present undercover work by certain British factions in the Far East, which are actively seeking to "make a bargain with Japan" on the basis of recognition of Japan's conquests and coöperation with her puppets, will probably be closely watched. London committed itself, through the Craigie-Arita Agreement last summer, not to embarrass in any way Japanese military operations in China. We must not forget that the Chamberlain-Craigie appeasement program, interrupted in Tokyo last July only by the dramatic abrogation of our commercial treaty with Japan, is in abeyance but not abandoned. If hard-pressed in Europe, and offered reconciliation at not too high a price, Chamberlain might think it best to heed the "bargain makers" advice.

Third. Washington will probably be compelled to adopt positive measures in order to nullify the effects of a possible Russo-Japanese rapprochement on our position in the Western Pacific. Unlike Britain, which has India to defend, America has no physical point of conflict with Russia. At the moment both are backing the same government in China. Nor does either one covet any Chinese or Russian territory. All this might usefully be reaffirmed in a special agreement.

The strategic problem involved is how to narrow the hazards of a positive policy. Nominally, that should have nothing to do with the widespread American dislike of Stalin, his credos, and his

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methods of work. A Russo-American pact of amity, restricted to the Pacific, would probably have a stabilizing effect in the Orient. Indubitably it would be of no more permanent value than any other pact with Russia — or with any other Power — but its usefulness in diplomatic manœuvre might be astonishing. Mere conversations of such a nature might end Japan's bellicosity overnight, and send her envoys flying to Washington, ready to talk terms.

Such a move would probably offend many Americans in their present state of excitement. In practice the Administration may prefer popularity to sagacity. American sentimentality and indignation over the stupid and clumsy invasion of Finland, for example, may continue to express itself in an attitude facilitating Russo-Japanese combination against us. But a policy based on this popular feeling might prove very costly. The world is moving with streamlined speed toward a cataclysm of which the current wars in Europe and Asia are but the preliminaries. The United States cannot will an end to it; the wisest living man cannot even foresee what that end will be. At present nobody is listening to Washington's political moralizing, for other nations do not understand its language or the folklore from which it springs. Combinations and recombinations may be made which will cause recent liaisons to pale into insignificance. To survive in this furiously dynamic world requires the maintenance of a high degree of diplomatic mobility, and no road should be closed until all its possibilities are fully explored and exhausted.

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JAPAN'S ECONOMIC INVASION OF CHINA

By John E. Orchard

THERE is a great deal of wishful thinking concerning the outcome of the present Sino-Japanese conflict. Some observers insist that American economic and financial interests in China are not in danger because the Japanese Army can never really impose its will on that country. Others maintain that even the destruction of Chiang Kai-shek's National Government would not threaten American interests because Japan has neither the economic resources nor the technical ability to exploit the fruits of a military victory. Still another school of thought not only accepts the possibility of a Japanese victory but argues that it would bring positive benefits to American business by increasing American exports to a new China developed under Japanese control. It is my conviction — arrived at after several months spent last year in both the free and occupied parts of China, in Manchuria, and in Japan — that all such reasoning rests upon a number of false, or at least very questionable, assumptions and that we must make a more realistic appraisal of present developments in the Far East.

It is by no means a foregone conclusion that Japan will be unable to carry through her plans for the conquest and pacification of a substantial part of China. Though Chiang may possibly keep the Japanese from making further large-scale advances, his armies do not appear to possess enough power to force their withdrawal. The Chinese may have ample equipment for defensive and guerrilla warfare, but they are deficient in the artillery and aircraft necessary for an offensive campaign. Free China has great difficulty in obtaining supplies from abroad, and her remaining lines of communication are, at best, very precarious.

If the Japanese Army is forced to withdraw, it will be (1) because China receives more help from third Powers than hitherto, or (2) because Japan is subjected to severe economic pressure by the Western Powers, or (3) because the Japanese themselves come to the conclusion that their economic structure will no longer support the burden of the military campaign. Though the last of these possibilities is often emphasized by Western observers, there are many reasons to doubt the imminence of so complete a

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change in Japanese policy. The military group would lose far too much in prestige by any such admission of failure, and even those industrial leaders, who at one time opposed the war, are now convinced that it must be carried through to victory, so dependent has the entire economic life of Japan come to be on success in China.

There are signs of economic strain in Japan; but the war has brought an apparent prosperity. The pressure of population in the rural areas has been relieved by mobilization and by the movement of labor into industry. There is a boom in heavy manufacturing; unemployment is not a problem; prices and the cost of living have advanced, but not as much as family money earnings. It is true that plenty of economic troubles are being piled up for the future — a huge internal debt, inflation of the currency, the prospect of runaway prices, over-expansion of industry — but where these dangers are appreciated they only strengthen the determination to push ahead in China. Everything has been staked on success.

Foreign exchange is the weakest point in Japan's economy. She must import certain essential commodities — scrap steel, petroleum, raw wool, raw cotton, crude rubber, machine tools and other industrial equipment. Thus far the conquests on the mainland have failed to improve Japan's international trade position. Exports to the yen-bloc areas — Korea, Manchuria and North China — do not create foreign exchange, and those areas are not as yet supplying Japan, to any important extent, with the commodities she lacks. The commodity balance of trade with the countries outside the yen bloc continues to be adverse. In recent months, the payment of international balances has been a heavy drain upon Japan's limited gold supply. Her position is undoubtedly extremely vulnerable, and if the Western nations wish to exert pressure upon her they now can do so most effectively through her foreign trade.

If such pressure is not applied, the prospects are that the war will be protracted into a stalemate or that it will end in an undeclared peace during which Japan, through a puppet régime, will continue to pacify the areas she now occupies. There is the possibility that China, faced with a long struggle and deserted by other nations because of their preoccupation in Europe, might accept a compromise. At the present writing, Wang Ching-wei's projected Central Government of China seems to be completely discredited;

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nevertheless, there is evidence that his régime has received promises of support from influential Chinese, who dread a prolonged conflict or who object to the Communist associates of Chiang Kai-shek.

Events of recent weeks have also indicated the possibility that Japan, for the time being at least, desires to suspend the campaign for crushing Chiang Kai-shek and to concentrate all her resources on the consolidation of gains already made. The cost of establishing and maintaining order in the occupied areas has probably been exaggerated. Aided by airplanes and a mobile ground force, relatively few men would be needed, especially if they resorted to ruthless reprisals. The living expenses of the individual Japanese soldier are not great, and in any case China would be expected to contribute to the support of this "peace preservation army." A recent report estimates that the Japanese armies of occupation in North China are already deriving about 75 percent of the cost of their upkeep from local sources. In Japan it is not felt that the maintenance of an army in China, even for an indefinite period, is too great a burden. It is looked upon rather as a means of avoiding unemployment and preventing a revival of social unrest in the rural areas.

In the economic field, there is little room for speculation concerning Japan's intentions in China. If Chinese resistance collapses, or if there is an undeclared peace, or if China accepts a compromise that leaves the Japanese a foothold on the mainland, Japan will carry through her plans for the economic development of China. And we may be certain that those plans call for the development of China in the exclusive interest of Japan. The Chinese will participate only in a minor capacity, and foreign enterprise will be either curtailed drastically or forced out completely. Any share of China's foreign trade which third Powers manage to retain will be on the sufferance of Japan and will be permitted simply because Japan herself cannot take care of it. Any foreign businessman who thinks that Japanese domination in China will bring him greater opportunities, or even a renewal of past opportunities, is blind to the record of Japanese expansion in other areas of Asia. The parts of China under Japanese control will become closed to foreign enterprise just as completely as Korea and Manchuria are closed to it today.

There need be no mystery concerning Japan's economic intentions in China, nor concerning the methods to be employed to

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effect them. The pattern of development and control has been established in Manchuria.[1] In North and Central China, sufficient progress has been made to indicate that Japan's economic exploitation there is to be equally thoroughgoing and exclusive. It is true that Japan is short of the capital and equipment required to develop China and is in great need of foreign financial assistance. Japanese spokesmen have indicated repeatedly that such assistance from abroad would be welcome only if it came in the form of loans and credits placed under the control of Japanese interests. If foreign capital is forthcoming under those terms, development will proceed rapidly; if there is no foreign assistance, the program may be retarded, but it will not be abandoned.

Japan's immediate goal in North China seems to be the production, for shipment to Japan proper, of a number of raw materials essential to industry — coal, iron ore, cotton, wool and salt. Though she had hoped to obtain these commodities from Manchuria, salt is the only one that has been shipped to Japan in substantial quantities. Most Manchurian iron ore is of low grade and cannot be transported economically over any distance. Manchuria's output of coal has risen since the Japanese occupation; but the surplus for export to Japan has declined sharply because of increased consumption in Manchuria. The production of raw cotton is negligible, and cannot be expanded materially. The quality of the wool is unsatisfactory, and any improvement will require many years and a complete revolution in the Manchurian sheep industry.

China, especially North China, is richer than Manchuria in all these raw materials, and Japan's plans to develop them are therefore being pushed rapidly. The Lungyen iron ore deposit, on the border between Chahar and Hopeh provinces, is considered one of the most promising in all of China. It is said to contain 100 million tons of ore (with an iron content of from 52 to 60 percent), an amount small in comparison with the Lake Superior or the Lorraine deposits, but much greater than the iron ore reserves of Japan proper. The development of the Lungyen deposit has begun, and the new mines produced most of the 78,000 tons of iron ore shipped to Japan from North China in 1938. It is still questionable whether ore can be transported economically from Lungyen to Japan on account of the long rail haul to the sea-

[1] For a discussion of Japan's economic control over Manchuria see "Manchuria — A Pattern of the New Order in East Asia," by Dorothy J. Orchard, in *Asia*, January 1940.

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board; the Japanese nevertheless plan to mine two million tons in 1941 and are completing vital rail connections between the mines and the Peiping-Suiyuan Railway.

The Japanese have also taken over the iron ore deposits in Central China — properties at Tayeh on the Yangtze River below Hankow and the mines in Anhwei Province near Wuhu. The ore in both of these groups of deposits is of high grade, averaging 55 to 60 percent in iron content, and the reserve is estimated at 200 million tons. While the fighting was still in progress along the Yangtze, the Japan Iron Manufacturing Company had engineers at Wuhu and Kiukiang ready to take over the operation of the Anhwei and Tayeh mines as soon as they should fall under Japanese military control. The stocks of ore at these mines (some 300,000 tons) and at Wuhu were seized immediately and shipped to Japan. Before the present war Japan was obtaining over a million tons of ore annually from the Yangtze valley, and the Tayeh and Anhwei mines have for some time been a major source of supply for the great Imperial Steel Works at Yawata. Now that these mines are under Japanese control, ore shipments to Japan will doubtless increase. New discoveries of iron ore in Central China were announced several years ago in connection with the plans of the Chinese Government to build an iron and steel plant somewhere along the Yangtze River. The Japanese now control the area where these deposits lie. Plans were also being made by the Kwangtung provincial government for the construction, near Canton, of an iron and steel plant to utilize the iron ores of South China. Japan is consolidating her occupation in this area too. All known iron-ore deposits of any importance in China have thus passed under the control of Japan — a fact of considerable importance to a country seeking to become self-sufficient in a basic commodity.

One of the serious industrial deficiencies in Japan has always been the scarcity of coal, particularly coking coal. North China contains one of the world's richest stores of coal, including coking coal in a number of deposits. A recent Japanese estimate puts the coal reserves of North China at 200 billion tons — some thirty times those of Japan proper. All the larger mines in North China, except those under foreign control, have been taken over and are being operated under Japanese management, though as yet these properties are not very productive, since time will be required to repair the destruction done by the retreating Chinese. The de-

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posit with the greatest potentialities seems to be in the Tatung area of northern Shansi, now included in Inner Mongolia, where the reserves are tremendous. Though machinery has already been installed there for large-scale development, transportation presents a major problem still to be solved, for the gradient on the railway connecting Tatung with Tientsin is steep and the haulage is costly.

Coal has been shipped from North China to Japan in steadily increasing volume during recent years, the greater part of it coming from the mines of the Sino-British Kailan Mining Administration in Hopeh Province north of Tientsin. During 1939, 2.4 million tons of coal, practically all from North China, were shipped to Japan, whereas only one million tons were shipped during 1936. North China now sends more coal to Japan than does Manchuria, and the possibilities for further increase are also much greater.

Salt, an essential raw material in the Japanese chemical industry, is not produced in Japan proper in adequate quantities. To obtain the salt fields of northeast China has long been an objective of Japanese imperialism: salt was one of the reasons for the seizure of Shantung by Japan during the World War. By June 1939, the Chinese-owned salt refining plant at Tangku, at the mouth of the Hai Ho below Tientsin, was being operated under the direction of the Japanese Army. In August, the North China Salt Manufacturing Company was organized for the exploitation of the Changlu fields in Hopeh and of those in Shantung. Salt exports to Japan from China and Manchuria totaled 993,000 tons in 1938; by 1941, North China alone is expected to produce 2,100,000 tons, or four times the average production of Japan proper.

China has long been an important producer of raw wool for world trade. The wool, though superior to that of Manchuria, is coarse and is usually classified in the trade as carpet wool. The United States was formerly the chief market for it, with Germany second and Japan a poor fourth. Japanese plans for obtaining wool from North China have thus far been a failure, due largely to the greed of the Japanese wool-purchasing monopoly, a guild composed of the large Japanese textile manufacturers to which the Japanese Army ordered that all Chinese wool must be sold. The guild fixed a low price and paid for the wool with notes of the newly-established puppet Federal Reserve Bank. It succeeded in obtaining the wool which had already been assembled at the

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trading points; but that still in the hands of the producers disappeared into the interior, perhaps into free China or into Outer Mongolia and Russia. As a result, China's total exports of wool in 1938 dropped to 3,800 metric tons, less than one-fourth of the average for the three previous years. The United States almost disappeared as a market. The amount exported to Japan increased substantially, though the wool was unsuited to Japanese needs. Germany, with whom Japan had barter agreements, took two-thirds of the total wool exports, though the quantity was smaller than the amount she had taken in previous years. In 1939, these monopoly practices were modified somewhat; yet wool exports continued to decline. Present Japanese plans call for the export of 500,000 tons of raw wool in 1941. Such a figure is fantastic, for China would then be the world's leading wool exporter, outranking even Australia. It will be hard to restore China's wool exports even to the normal level, for the unfair practices of the monopoly have destroyed the growers' confidence.

Raw cotton is Japan's largest import; cotton spinning and weaving form her leading manufacturing industry; cotton piece goods constitute her most important export. Raw cotton also comes first among the exports of the United States to Japan, and for that reason this country should be particularly interested in Japanese plans for developing new sources of supply. For many years Japan has sought to obtain cotton from territories under her own control, but without success. In Korea and Manchuria geographic and economic conditions do not favor an expansion of cotton cultivation. China holds considerably more promise. The present output of that country, however, does not meet Japan's needs in either quantity or quality, and the immediate results of the Japanese cotton-producing program there have been disappointing. Before the present conflict, North China's cotton production amounted to about 40 percent of Japan's consumption, though only a small part of the yield was actually exported to Japan. In 1936 less than 3 percent of Japan's cotton imports came from China. In 1938 the percentage had risen to 17. But in 1939 there was a complete failure of the program, and China's cotton exports to Japan for the year dropped to 10 million pounds from the 212 million pounds for 1938. Unfavorable climatic conditions account in part for this decline; but the Chinese farmers had also failed to plant cotton, partly because they were unwill-

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ing to furnish supplies to Japan and partly because they could make more money by raising cereals. This setback to Japanese plans is probably temporary, for it is doubtful whether the Chinese farmers can continue to resist Japanese pressure to raise cotton. The system of "protected" and closely supervised villages is being introduced into North China from Manchuria, and, of more importance, farmers as near the margin of subsistence as those of China cannot afford to give up raising an important money crop like cotton. The prospects are that North China can eventually supply Japan with a substantial part of the cotton now imported from the United States.

It is clear that Japan must still overcome serious difficulties before she can obtain from China sufficient iron ore, coal, salt, wool and cotton to meet all the needs of her industries. Some of her estimates of future output are extravagant and some of her plans are obviously impossible of fulfillment. Yet it would be shortsighted to conclude that her program, in its basic outline, cannot be carried out. Japan has already made much progress in exploiting China's raw materials for the benefit of Japanese industries, and there is every indication that she is aiming at nothing less than the complete engrossment of all of China's economic resources. It is estimated that Japanese immigrants in North China already number over 200,000, and new arrivals are pouring in at the rate of 10,000 a month. Guerrilla warfare is still troublesome, but in time North China may be pacified as completely as Manchuria. A portion of the Chinese population appears to be accepting the Japanese conquest, and there is no scarcity of cheap labor for Japanese enterprises.

Japanese economic exploitation in North China is in the hands of the North China Development Company, a huge semi-governmental corporation, established in November 1938 under Japanese law. It is capitalized at 350 million yen, of which the Japanese Government's share is 175 million. It has the blessing of the Japanese Army; indeed, the plans for its organization were made by the Army's economic advisers. A similar corporation, the Central China Development Company, with a capital of 100 million yen, was created at the same time for Central China. A South China Development Company has also been proposed. Under the direct management of these large bodies subsidiary companies have been set up for the conduct of particular enterprises. Their capital is subscribed by the development companies, by

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Japanese capitalists, by the provisional Chinese governments and, in theory at least, by Chinese capitalists.

Japanese capital is now taking a prominent part in the economic exploitation of China. This participation is in marked contrast with the attitude which the old established houses, like Mitsui and Mitsubishi, assumed toward the development of Manchuria: there they were reluctant to coöperate, perhaps because they considered the enterprises uneconomic, perhaps because they objected to the close control exercised by the Kwantung Army. The Japanese Army in China has adopted a less rigid policy toward business. The opportunities open to Japanese capitalists have also been more attractive, for in many instances they have taken over going concerns belonging to the Chinese — such as mines, factories, transportation systems — at small expense, and are operating them with little outlay for new equipment. In some cases Japanese industrialists have even drawn up plans for exploiting certain areas in China months before the Army took them over. They have sent out survey parties to scour North, Central and South China to investigate economic possibilities. Mining experts have sometimes waited immediately behind the Japanese lines for the advance of the Army.

Given this active participation by Japanese business leaders in the China venture, it cannot be argued that they oppose it. Disputes between different agencies do occur from time to time; but the question at issue between them is the division of the spoils, not whether Japan should be in China.

The Japanese have followed set procedures in acquiring control over Chinese enterprises. In a few cases, limited to small concerns, the Chinese owners have been able to sell to Japanese. Chinese concerns in which there has been any participation by the government, either national or provincial, have been regarded as government enterprises by the Japanese, and on that pretext they have been confiscated and assigned to one of the puppet régimes. Privately-owned properties are first occupied by the Japanese Army, and operation is resumed only with the permission of the military authorities. The Japanese try to obtain the coöperation of Chinese owners in the formation of joint Sino-Japanese companies. The Chinese are expected to contribute their plant and equipment, while the Japanese furnish the working capital and the management. The controlling interest is Japanese. In some instances the Chinese have agreed to coöp-

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erate on these terms. For example, some of the Chinese producers of raw silk participated in the organization of the Central China Silk Reeling Company by contributing their filatures. At first, the capitalization of the company was small, and the shares were held in equal parts by the Chinese and Japanese. Then the Japanese decided to increase the company's capitalization to eight million dollars (Chinese), of which they were to hold 75 percent; and, when a dividend was distributed several months ago, the Chinese shareholders were informed that they would receive their portion only after the titles to their filatures had been turned over to the company.

In most cases, the Chinese owners have realized that coöperation means virtual confiscation, and they have therefore placed themselves beyond the reach of the Japanese, either in the International Settlement of Shanghai or in a foreign country. Many mills, the owners of which have disappeared, have been handed over by the Army to Japanese companies for operation. I was told in Osaka by the director of one of Japan's large textile groups that the Army had asked his company to operate a cotton mill in China. My informant said he did not intend to confiscate the mill, but that — until the owner could be found and persuaded to coöperate — his company would keep it going in order to provide employment for the Chinese workers. A pretense of legal transaction sometimes covers the seizure of Chinese enterprises. For example, early in the spring of 1939 it was announced by the Japanese that after long negotiations the Yungli Chemical Industries, Ltd., had agreed to the transfer of their properties at Tangku and Pukow to Japanese interests; yet in June the Yungli Company was still running a notice in the newspapers of Shanghai stating that the Tangku and Pukow factories belonged to them and denying any claims of "those who may take advantage of the present disturbance in encroaching upon such plants, irrespective of their nationalities."

In numerous instances, mills have been taken over by the Japanese and operated until their stocks of raw materials have become exhausted. Other factories have been seized and the equipment removed to Japanese plants. Many mills have escaped seizure only by transferring their titles to foreign ownership. Some remain idle because vital parts of the equipment have been removed or destroyed and because the Japanese are unwilling to expend any capital on replacements since their claim to the

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property rests only upon the consent of the Japanese Army, and ultimately upon a Japanese victory. And lastly, a small part of China's industrial equipment has been carried into the interior and reërected in territory still under Chinese control.

Japan's absorption of China's economic resources and activities has thus been complete wherever the Japanese Army has established its control. And there has been much to absorb, for in the decade prior to the war China had made amazing progress in developing her manufacturing industries and in creating modern means of communication. Every enterprise of any importance in the occupied areas — transportation systems, power plants, mines, factories — has now passed into Japanese hands; only the petty establishments, the workshops and retail stores have escaped. The electric power field, for instance, is completely dominated by Japanese interests. The coal mines of North China are being parceled out by the North China Development Company to Japanese firms — subsidiaries of Mitsubishi, Kaijima, Mitsui, Okura and Meiji Mining; and the important Tatung field is to be exploited by a newly organized company with capital subscribed by the North China Development Company, the North China Transportation Company and the South Manchuria Railway. All the ships of the China Merchant Steam Navigation Company have been seized. Control over the 50 flour mills of North China, originally Chinese, has been put under Sino-Japanese management. Some of them are still controlled by the Army, others have been turned over to the three big Japanese flour interests for operation. The Chinese supply the plant and equipment, the Japanese the working capital, while control is to be divided on the basis of 40 percent for the Chinese and 60 percent for the Japanese. A match syndicate with headquarters in Tientsin has absorbed the Chinese match factories of North China, and if present plans carry through, will eventually include the match factories of Central China.

Practically all of China's limited blast furnace capacity has passed under Japanese management. The 250-ton furnace at Shichingshan near Peiping, completed by a Chinese company in 1922 but never operated, was blown in on November 20, 1938, under the temporary management of the Japan Iron Manufacturing Company, and is now turning out about 150 tons of pig iron a day. The Okura interests will work the iron deposits and operate the small blast furnaces in Shansi. The furnaces at Tayeh

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are in the hands of the Japan Iron Manufacturing Company; but they are badly damaged, and it is likely that most of the ore will be shipped to Japan. In recent years, a number of modern cement mills have been built in various parts of China; of these only a small plant in Szechwan and one in Kwangsi now remain in the full possession of the Chinese. The plant in Canton and one in Shansi have been handed over to the Asano interests; the others are, or will shortly become, joint Sino-Japanese enterprises.

Cotton spinning and weaving is probably the most important factory industry of China, and more private Chinese capital is invested in it than in any other. Yet only a few cotton mills outside the International Settlement of Shanghai remain in the hands of their Chinese owners. Mills in occupied territory have been assigned by the Army to Japanese companies. I was told last summer by leaders in the Chinese cotton textile industry that only one small Chinese mill had agreed to coöperate; all the others had been taken over without the consent of their owners.

Not content merely to take over Chinese concerns, the Japanese have also invested some of their own capital in new construction in China. They have done this partly to escape the restrictions placed on manufacturing industries in Japan, and partly as a safeguard against inflation at home. Along both banks of the Hai Ho below Tientsin, new Japanese factories now stretch for miles. They include chemical works, cigarette factories, textile plants and a paper mill. The president of the Kanegafuchi Spinning and Weaving Company has repeatedly advocated the removal of Japan's entire cotton manufacturing industry to China in order to utilize the latter's raw materials and cheap labor.

Up to the present, non-Japanese foreign interests have fared little better in the occupied areas than have the Chinese. For the principle of the Open Door is being violated flagrantly. Treaty rights have been violated. Plants have been seized, and in some cases held for months. The Japanese Army has closed Chinese rivers to foreign shipping on the pretext of military necessity, and no faith can be placed in their recent promises to open such streams as the Yangtze. As Japan's position in China becomes more secure, foreign interests must expect further restrictions upon their activities.

It is in trade that foreign business has been put under the most serious restrictions. In July 1939, the Japanese-sponsored Peiping Government extended its export control in North China to

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all except a few unimportant commodities. Under the regulations now in force, export permits are granted only if the foreign exchange to cover the proceeds from the export is first turned into the Yokohama Specie Bank for conversion at the official rate of 23 7/16 cents (U. S.) per dollar in Federal Reserve Bank notes (the Federal Reserve dollar is at par with the Japanese yen). Last summer, it was possible to purchase the Federal Reserve dollars in the black market in Tientsin at nine or ten to the United States dollar, whereas the official rate was 3.6. Under such stringent control, it has become difficult, if not impossible, for any except Japanese concerns to engage in the export trade. Imports into China from countries other than Japan are likewise subject to arbitrary tariff revisions and exchange controls. Such trade regulations are now being extended to Central China, though the existence of the International Settlement at Shanghai still impedes their enforcement in that area.

The New Order in East Asia is a vague phrase as it is used by the Japanese; but events in China have made its meaning clear. Substantial parts of the country have been occupied by Japan; a puppet government is being established with Japanese in key positions; all major economic activities are being absorbed by Japanese interests; the rights of third Powers are being ignored; and foreign business is being eliminated through intolerable restrictions. The Far Eastern policies of the Western Powers should be shaped by these developments — and not by the hope of a Chinese military victory or of a Japanese economic collapse, or by the expectation of sharing in the fruits of a Japanese victory.

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AURORA, ILL.

BRITISH POLICY IN THE FAR EAST

By Gerald Samson

THE title of this article suggests that in face of a grave international problem Britain has an attitude that is both positive and clearly defined. I must state at the outset that the facts do not warrant any such interpretation. A British policy undoubtedly exists, so far as it affects the maintenance of certain principles of action; but action itself — as and when it can be taken — is still today, as it has been for the past twenty years, conditioned by the trend of world events which often are entirely outside British control. Preoccupation with developments nearest home in Europe is inevitable, and distant events necessarily take second place. A statement made at the unofficial Conference on British Commonwealth Relations at Sydney in 1938 only expressed the obvious: "No threat to British Far Eastern interests, however grave, can ever deflect British statesmanship from what must inevitably be its major concern, namely, the security of the British Isles, and of the sea communications upon which Great Britain depends for her supplies of foodstuffs and raw materials."[1] The objective of succeeding British administrations has been to preserve the *status quo* as far as possible while letting the situation steadily deteriorate. Only when driven into a corner where action of some sort became obligatory did they show any initiative, and even then they adopted mere temporary expedients. They entered treaties, partly in trust, but also partly for their calming effect on the public mind and for their value in postponing the inevitable.

In short, Britain's alternating attitude of compromise and decision is no more graphically illustrated than by her Far Eastern policy. After 1902 the Anglo-Japanese Alliance was regarded as the instrument most likely to furnish stability and peace in the Orient. However, two disturbing factors emerged to challenge this assumption: the Alliance became anathema to the people and Government of the United States, friendship with whom was a cardinal principle underlying British foreign policy; and the continental ambitions of Japan, plainly revealed in 1915 when she presented her infamous Twenty-One Demands on China,

[1] H. V. Hodson (Ed.), "The British Commonwealth and The Future." New York: Oxford University Press, 1939, p. 39.

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were in direct conflict with British aims. What finally decided Britain to drop the Alliance was the growing tension between Japan and the United States, together with Canada's strong opposition to its renewal. The British delegates to the Conference of Washington in 1922 therefore abandoned the twenty-year-old pact in favor of a series of international agreements that on paper at any rate safeguarded Britain's main interests in the Far East. China's integrity, the Open Door and equal opportunity were guaranteed by the Nine Power Treaty; while the Pacific *status quo* was secured under the terms of the Four Power Pact and the Naval Limitation Treaty. Even so, the British Government did not feel that these undertakings in themselves provided a sufficient margin of safety, and for the supplementary protection of its Pacific possessions and communications it ordered the construction of the powerful naval and air base at Singapore recommended by Lord Jellicoe in 1920.

The Washington Treaties necessarily had an adverse effect on Anglo-Japanese relations. Although Japan had reluctantly acquiesced in the lapse of the Alliance, she considered that she had been jettisoned by her old ally; while the provision of an inferior ratio in the naval agreements, plus the shadow of the Singapore Base, created an abiding bitterness. Nor did the Nine Power Treaty have the desired effect of assuring in China a stable, peaceful nation well disposed towards Great Britain. On the contrary, the rise of Chinese nationalism, with its demand for the abolition of the so-called "unequal treaties," led not only to the continuation of civil strife but to violent anti-British agitation in Canton, Shanghai, Hankow and other cities. This was the more serious since Japan, under the guidance of Foreign Minister Shidehara, stood aloof; while Japanese merchants not unnaturally viewed the anti-British boycott as a heaven-sent opportunity to "muscle in."

The situation, so far as concerned China, was relieved by Britain's recognition of the Kuomintang (National) Government at Nanking, by her return of the British Concessions at Hankow and Kiukiang, and by other conciliatory measures. Nor did the British Government consider that its relations with Japan were so strained that time, tact, and goodwill could not improve them. As it turned out, the hope for better relations with Japan was frustrated precisely because of Britain's new China policy. The demand of the Kuomintang — whose xenophobia was now di-

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rected against Japan for the retrocession of the Kwantung Leased Territory, and the increased irritation caused by the stiffening of the Chinese attitude in Manchuria, were in Japanese eyes the direct result of the British Government's having "bowed down" to the Chinese in the case of Hankow. Nevertheless, following Japan's previous example, Britain was careful not to be drawn into the quarrel, and she kept out of it until the Japanese Army marched into Manchuria in September 1931, and China appealed to the League of Nations.

This Japanese *coup* constituted a direct challenge to the efficacy of the League Covenant, the Nine Power Treaty and the Kellogg Pact, to all of which Japan was a signatory. Moreover, it automatically placed on trial the whole system of collective security which the League states had been endeavoring to build up ever since the close of the Great War. There was a sharp division of opinion in the United Kingdom as to what should be Britain's policy in the crisis. The "Imperialists," composed of an influential section of the Conservative Party which had just been returned to power, showed an instinctive sympathy with Japan. Business interests engaged in the China trade, and naval and military circles, in general supported them. The Liberal-Labor element in the country sided with China, and looked to the League to see justice done.

The self-governing Dominions might have been expected, at least in the case of New Zealand and Australia with their traditional dread of "the Yellow Peril," to throw their influence into the scale of upholding collective security. But at that time they were far more concerned with the economic depression; and the only interest they exhibited in the Japanese invasion was to evince relief that China was the victim rather than themselves, and to express the naïve belief that Japan would emerge from her venture either satiated or exhausted. Canada and South Africa, however, joined in the general denunciation of Japan's action at the special session of the League Assembly in March 1932.

In the end the voice that prevailed in British policy was again the voice of expediency coupled with characteristically optimistic idealism. "Not one of us would be willing to contemplate a future world from which the active influence of the League was eliminated," Sir John Simon, Foreign Secretary, told the Assembly on March 7, 1932. Four days later he proposed that the Assembly adopt the "non-recognition of the fruits of aggression"

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resolution contained in the "Stimson Note" — the only really constructive act performed by that body during the crisis. In the House of Commons on March 22 Sir John stated that British policy was based on carrying out the purposes of the League and on coöperation with other Powers. But, he added, in supporting the League one should "keep the coercive and the mediatory functions of the League distinct." Referring to the Sino-Japanese conflict, he continued: "This has been proved to be a case in which the effective action of the League is best applied by mediatory and conciliatory action." His concluding remarks contained the amazing confession: ". . . I am very happy to think that British policy today, whatever may be its shortcomings and its imperfections, at any rate is a policy which has kept us on terms of perfectly friendly relations both with China and Japan."

On December 7, after listening to Sir John's observations regarding the Lytton Report, Mr. Yosuke Matsuoka, the Japanese delegate, reportedly remarked that Sir John Simon had said in half an hour, in a few well-chosen phrases, what he — Mr. Matsuoka — had been trying to say in his bad English for the last ten days.[2] Finally on February 27, 1933, three days after the League Assembly had adopted a report based on the findings of the Lytton Commission, and the Japanese delegation had walked out of the Assembly, the Foreign Secretary informed the House of Commons that "in no circumstances will this Government authorize this country to be a party to the struggle" — a declaration which caused the Labor opposition to inquire whether that did not mean "the abrogation of Article XVI of the Covenant." A month later Japan gave notice of her withdrawal from the League.

It was now seen clearly that for collective security purposes the League Covenant as a coercive instrument was dead. But none of the League members would give it decent burial. From the day that China had lodged her appeal, the influence of Great Britain had been paramount at the Council table, and she must bear the principal blame for the fact that subterfuges and delays of all descriptions were permitted until Japan was able to present the League with a *fait accompli* — "Manchukuo." American overtures for coöperative international action to vindicate the collective security system were treated with apparent reserve. The Stimson Note of January 7, 1932, which exerted the first

[2] *Manchester Guardian*, December 8, 1932.

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positive pressure on Japan, met with a rebuff from the British Foreign Office, a rebuff that was underlined in a *Times* editorial that might well have been written by the Japanese spokesman at Geneva.[3] Sir John Pratt, who was closely associated with Sir John Simon at the Foreign Office at the time, has since explained away the communiqué in question as a "slip"; but the impression it created was, as he observes, "a real obstacle in Anglo-American relations."[4]

On the other hand, a careful investigation conducted in Washington as well as London has convinced the writer that the United States was not at any point willing to pledge her support to a policy of sanctions or other punitive measures which the League might agree to adopt. That such measures in this case would have been ineffective without American coöperation should be self-evident. Since, therefore, it was the view of the British Government that coercive action against Japan entailed risk of war — a prize example of Japanese bluff — and that only the association of the United States could make the British strategic position tenable in such an eventuality, the refusal to bring Japan to book does not lie entirely on one side of the Atlantic. It may be suggested, though it cannot be confirmed, that if the League had lived up to its commitments American public opinion would have insisted on parallel action. I for my part believe it.

Where British policy seems deserving of censure is in failing to recognize that ever since the United States stepped out of the picture in 1920 the Covenant was impotent to prevent aggression by a major signatory Power, and in consistently encouraging the smaller and less powerful signatories to have confidence in a worthless guarantee. But Britain had hoped against hope for "peace in our time" and preferred the sound of brave words to a state of official international anarchy. The very ring of the Covenant's text was as the ring of Magna Charta, immunizing a would-be aggressor as by one of Merlin's spells, and offering a talismanic protection of liberty. Now plainly the spell was broken and the talisman had failed, and British policy had to adjust itself accordingly. This meant that though the League Covenant remained, and was cautiously and within circumscribed limits applied, Britain's policy was her own, even though wrapped up

[3] *The Times* editorial of January 11, 1932, concluded: "Nor does it seem to be the immediate business of the Foreign Office to defend the 'administrative integrity' of China until that integrity is something more than an ideal."

[4] Letter from Sir John Pratt, K.B.E., C.M.G., published in *The Times* of November 30, 1938.

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in League trappings. It was still, however, a policy of appeasement and temporizing, though infinitely more realistic.

As a consequence, when Japan commenced large-scale hostilities in China in 1937, and China a second time appealed to the League, Britain, though again favoring friendly mediation, was more firmly than ever opposed to any form of coercive action. On this occasion Britain laid the greatest possible stress on the need for Anglo-American coöperation, and the League definitely took second place. "In our view," said Mr. Chamberlain at the Guildhall on November 9, "an essential factor for success in any endeavor to bring about a settlement is the coöperation of the United States." To obtain this Mr. Eden had already told Parliament that he was ready to travel "not only from Geneva to Brussels, but from Melbourne to Alaska." The Government, he said, was prepared to "go as far as the United States, in full accord with them, not rushing in front but not being left behind."[5]

This eagerness to work with the United States was only partly explained by the increased gravity of the situation in the Far East and the belated recognition that this could be handled successfully only by joint or parallel action of the English-speaking nations. It was no doubt due in equal measure to the expanding influence of the Berlin-Rome-Tokyo Axis and its implied threat to the liberties of Britain and the other "peace-loving nations" referred to by President Roosevelt in his dynamic denunciation of "the present reign of terror and international lawlessness" in his Chicago speech of October 5. His words at first kindled high hopes that concerted action by the democratic Powers might follow. But when it was seen that American public opinion, still strongly isolationist, was much opposed to such a course, it was speedily realized that active international intervention was out of the question. The Brussels Conference opened with this knowledge and in the circumstances was a complete waste of time.

This further failure led the British Government to take an unequivocal stand the next time the Opposition raised the question of upholding the rule of law in the Far East. In the House of Commons on December 21 Mr. Eden said: "If hon. Members opposite are advocating sanctions . . . I would remind them that there are two possible forms of sanctions — the ineffective, which are not worth putting on, and the effective, which means

[5] *Parliamentary Debates*, House of Commons, cccxxviii, 583, 596, November 1, 1937.

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the risk, if not the certainty, of war. I say deliberately that nobody could contemplate any action of that kind in the Far East unless they are convinced that they have overwhelming force to back their policy. Do right hon. Gentlemen opposite really think that the League of Nations today, with only two great naval Powers in it, ourselves and France, have got that overwhelming force? It must be perfectly clear to everyone that that overwhelming force does not exist."

There was a risk of another kind which the British Government with its appeasement policy was forced to accept — the loss of prestige, and with it the power to mitigate Japanese aggressive action. Anglo-Japanese relations were subject to increasing strain since the British assistance given to China in order to aid her reconstruction conflicted directly with Japan's determination to dominate that country.

Britain has been continually presented as Japan's real enemy, not China. The Japanese have pointed to the flow of foreign munitions and other war supplies through the free port of Hong Kong (up to the fall of Canton in October 1938) as convincing proof of this allegation — even though the Japanese Government was well aware that only a very small percentage of such material was of British origin. Another source of friction arose from the fact that the Japanese Army frequently found its progress hindered by foreign rights and interests, mainly British, and had hence become convinced that it could not possibly establish its "New Order in East Asia" unless and until these had been liquidated. The Army therefore insisted that Japan's policy be directed towards undermining British influence. In Nippon itself a vindictive anti-British drive was carried on, while in China there was a succession of incidents and even direct attacks on British vested interests. Among these may be listed the murderous assault on the British Ambassador, Sir Hughe Knatchbull-Hugessen; the blatant bombings of British warships, merchantmen, missions and other property; the closure of the Yangtze and Pearl Rivers to British shipping; interference with the commercial life and municipal administrations in "occupied" territory, including the Shanghai International Settlement and the foreign Concession at Kulangsu; and the blockade of the British Concession at Tientsin, where British nationals were stripped by Japanese soldiers before crowds of Chinese.

To these "intolerable insults," to quote the British Prime

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Minister, a once proud Britain made but verbal protest. With Hitler on the rampage in Europe and a belated rearmament program on her hands — including the modernization and strengthening of her Far Eastern defenses — Britain was very much "on the spot." A courageous and positive policy might still have told on the impressionable Japanese; but the Government was committed to a policy of appeasement and day-to-day decision. Mr. Chamberlain, having stated in November 1938 that the Government attitude was based on a desire for friendly relations with both sides, gave in to the Japanese on relatively minor issues rather than risk a showdown — as instanced by the surrender of the four Chinese suspects at Tientsin.

We may not assume, however, that this attitude implied any wavering in Britain's determination to uphold her direct treaty obligations. In this respect she has always regarded herself as honor-bound to an almost quixotic extent. She therefore came down heavily on Premier Prince Konoye's official explanation of Japan's new policy in Far Eastern affairs in the note which the British Ambassador handed to the Japanese Foreign Minister on January 14, 1939, stating expressly: "For their part, His Majesty's Government desire to make it clear that they are not prepared to accept or to recognize changes of the nature indicated, which are brought about by force. They intend to adhere to the principles of the Nine Power Treaty, and cannot agree to the unilateral modification of its terms." [6] Britain was naturally relieved at the Japanese reaction, and this probably prompted Mr. Chamberlain to say in a much publicized interview with the London representative of the *Asahi:* "We are not a people who cherish grudges a long time. If Japan shows a readiness to respect Great Britain's reasonable rights and interests in the Far East the British people will always respond." [7]

Since then, Anglo-Japanese talks of a general nature have been taking place quietly in London and Tokyo. One of the matters under discussion has been the vexed question of the Chinese silver deposits, valued at some fifty million Chinese dollars, in the British and French Concessions at Tientsin. The latest British plan is said to suggest that a sixth of this sum be devoted to Chinese flood relief under the supervision of an international committee and that the remainder should be placed in a neutral

[6] Quoted in *The Times*, January 16, 1939.
[7] *Ibid.*, November 3, 1939.

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bank pending the conclusion of hostilities. Japan is understood to have agreed to the scheme, and the assent of the French and United States Governments, which are automatically informed of every phase of such negotiations, is also believed to have been obtained. China, however, is against the plan, and the recent visit of the British Ambassador to Chungking was probably connected in some way with this issue.

Meanwhile the extent of the *rapprochement* between Russia and Japan is being watched by Britain with anxiety. So far as is known this consists only of an agreement to end the fighting on the Outer Mongolia-Manchukuo frontier and to continue the old fishery compact for another year. But the Japanese have also opened trade talks in Moscow, and should these deal with wider issues — and they may — British interests in the Far East would almost certainly be affected. An additional motive for Russia seeking to woo Tokyo at this time is the relatively long-drawn-out Russian campaign in Finland. The pro-Japanese group in Britain sees in this situation an urgent reason why Britain should seek to come to terms with Tokyo before the Russians do. Still another thought which inspires the "imperialists" is their desire to obtain Japan as a potential ally against Russia. During a recent lecture tour in England, however, the writer found a large body of public opinion solidly against coming to any agreement with Japan until she had ceased her aggression in China.

To conclude, then, Britain's policy in the Far East today is still based fundamentally on the principles embodied in the Nine Power Treaty. Britain is as anxious as ever to see an independent and strong China; but she is equally anxious not to break off amicable relations with Japan. The extent to which she gives further direct assistance to the Chinese Government will therefore depend on how this can be done without provoking active Japanese resentment. Britain continues to stand firmly by her basic treaty rights in China, but is willing to negotiate on minor adjustments where discretion recommends such a course. And perhaps most important, Britain will seek in every way posssible to coöperate with France and the United States. The impotence of Western diplomacy without American support has been proved up to the hilt. It is not too much to say that the very fate of the Western Pacific is bound up in the decisions which the American Government takes in the weeks ahead.

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THE POLITICAL HERITAGE OF PIUS XII

By George La Piana

VIEWED from the standpoint of the Vatican's religious and ecclesiastical interests the present alignment of the European belligerents is very different from what it was in 1914. Indeed the former situation has been almost reversed.

When the war began in 1914 France had just been the scene of a long religious conflict; she had just adopted the principle of separation between Church and State and had broken off diplomatic relations with the Holy See. England, a Protestant country, was engrossed with the Irish question, involving large Catholic interests and carrying a strong romantic appeal to the Catholic conscience. Tsarist Russia, the ally of England and France, was the champion of Eastern Orthodoxy and the oppressor of Catholic Poland. An Anglo-French victory in Western Europe therefore did not promise any advantage for the Catholic Church; and as for a Russian victory in the East, that would have sealed the fate of Poland and would have closed the Balkans to further Catholic expansion. On the other side stood Germany, a Protestant country to be sure, but with a large Catholic minority. The German Catholics numbered over twenty millions; they formed a solid and strongly organized religious bloc, and the Center Party, largely controlled by Catholics, held the balance of power in the Reichstag. Most important, Germany's ally was the Hapsburg Empire, the bulwark of Catholicism in Central Europe.

By the beginning of the present war all this had changed. There no longer is any conflict between France and the Holy See. Under the régime of separation, modified by an agreement with the Vatican, French Catholicism has made a new start unhindered by state fetters. The old anti-clerical laws have become a dead letter; diplomatic relations with the Vatican have been reëstablished. In England the Catholic Church has been steadily gaining ground and today exercises a political influence which is perhaps underestimated abroad. The main Irish question has been settled and the Catholic hierarchy seems to have no sympathy with the agitations of the extreme Republicans.

On the other hand, the Catholic Church in Nazi Germany has not only been shorn of all political influence but has been dis-

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criminated against as a spiritual and moral force and is barred from carrying on any social and educational activities. Austrian Catholicism in particular has suffered: its ecclesiastical wealth has been confiscated, religious orders and organizations have been disbanded, mob violence has been unleashed against the Catholic hierarchy. And Germany's ally Russia — no longer the Christian Russia of the gilded icons but an atheist and totalitarian collectivism — holds in its grip a good part of Poland and is ready to spring southward upon the Balkans.

As in 1914, so now, the Catholic clergy in each of the belligerent countries is standing solidly behind the government; even the German bishops, forgetting the Nazi persecutions, have in their pastoral letters urged their flocks to rally around the Führer and to give their lives willingly for the triumph of Germany. The task of safeguarding Catholic unity and hierarchical discipline in the face of bitter national passions was successfully accomplished by Benedict XV. The same task now confronts Pius XII.

The war of 1914–18 put Papal finances under a very severe strain. The belligerent countries — almost the whole of Europe — ceased to provide funds for the Vatican treasury, which therefore was obliged to rely largely on the offerings of American Catholics. Even as late as in 1922 Pius XI had to begin his pontificate by borrowing from American bankers. The new war finds the Vatican in a much better financial condition, because it still has at its disposal considerable sums obtained from Italy by the Lateran Agreement of 1929. But since part of these funds (approximately a billion lire) is represented by Italian state bonds, the financial resources of the Holy See to that extent are obviously dependent upon the financial stability of the Fascist régime.

As in 1914, Italy again failed to join her German ally at the outbreak of war. Now, as then, the Vatican is exerting all its influence to keep Italy out of the conflict. But the present relations between the Italian Government and the Vatican are very different from those of 1914, when the Roman Question had not yet been solved and the Holy See, at least in theory, considered the Italian state an illegitimate and hostile Power. The Roman Question is now solved; the Papacy has a miniature but sovereign state of its own; and the relations between it and the Palazzo Venezia are cordial, regardless of possible discrepancies between Fascist ideology and Catholic principles.

Now, as in 1914, the Holy See has declared itself neutral in the

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conflict. There is this difference, however. In 1914 Cardinal Gasparri and the other Vatican prelates were fully convinced that the German military machine was unbeatable and that the war would end with a German victory. This conviction inevitably affected Papal diplomacy, even the sincere efforts of Benedict XV in behalf of peace. But the opinion of the Vatican about the present war, in so far as it affects the Catholic Church, cannot be the same as those it held in 1914. We might assume that this time the Vatican, while remaining strictly neutral, would look more favorably on our Allied victory than on one by the Nazis. The fact is, however, that the religious and ecclesiastical factors which determine Vatican policy are not simple enough to allow general statements of this kind. Moreover, the determining factors might be so affected by new military or diplomatic developments that the Vatican policy would change.

A brief analysis of the political inheritance which Pius XII received from his predecessor will perhaps enable us to grasp at least some elements in the complex problem now confronting the Vatican, and thus to understand its policy in the present conflict.

II

The pontificate of Pius XI (February 6, 1922, to February 10, 1939) was of outstanding importance for three effects which it had on the European political situation: (1) Concordats or other agreements were negotiated with many European states, altering the relations between church and state inside those countries. (2) The Roman Question was settled by the creation of the independent state of Vatican City and the establishment of friendly relations with the Fascist régime. (3) All Catholic forces were enlisted for a "crusade" against Communism, in particular as represented by Soviet Russia; and within each country support was given to whatever political forces were inclined to participate in this crusade. The experience gained by Pius XI from these three experiments provided the starting point for the policies of his successor.

The concordats concluded under Pius XI (with Latvia, Bavaria, Poland, Lithuania, Italy, Rumania, Prussia, Baden, the German Reich, Austria and Jugoslavia) and the other lesser agreements (with France, Czechoslovakia and Portugal) form an imposing list.[1] Indeed, it contains the names of all the impor-

[1] In 1914 very few concordats were in existence. Leo XIII (1878–1903) had renewed, in a revised

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tant European nations except England and Russia. A concordat, being patterned after an international agreement, implies the recognition by the state of the sovereignty of the Holy See and of the supra-national character of the local Catholic Churches as part of a universal institution whose laws, hierarchy and absolute government are entrusted to the Pope.

The concordats of Pius XI secured more rights and privileges for the Catholic Church in the countries in question than it had enjoyed in the previous period. They also brought to full realization the Vatican's long-cherished dream of completely centralizing in the Papal Curia all powers of ecclesiastical jurisdiction, especially in the matter of episcopal appointments and of eliminating the last survivals of legalized secular interference. Further, they secured juridical recognition for all ecclesiastical institutions, religious orders and lay organizations, such as those of the "Catholic Action." They also imposed upon the state the duty to contribute, in whole or part, to the support of the clergy and of the churches. And lastly they guaranteed the right of the Church to supervise the public schools, or at least to give Catholic religious education in them. In effect, then, these agreements constituted a modern revival of the old alliance of church and state.

What have been the practical results of these new concordats during their short period of existence? In particular, what has happened to them in the countries ruled by dictatorial régimes? This latter question is especially interesting, for Roman canonists say frankly that the Holy See dislikes to negotiate concordats with states so organized that the terms of an agreement must be openly discussed and approved by a free parliament. It feels that opportunity is offered for attacks against the Church, and that the durability of concordats so ratified depends upon the changeable will of shifting majorities. The Holy See thus prefers to deal with governments which do not need to conduct negotiations in the open or ask approval of a free elective body.

Concordats almost always have short and troubled lives. *Historia concordatorum, historia dolorum* is a familiar saying

form, several of the concordats of Pius IX (1846–1878) with Central and South American Republics, and he had concluded a dozen partial agreements on specific points of little importance with various European states. Under Pius X (1903–1914) the French concordat came to an end. The only concordat concluded during his reign was that with Serbia in June 1914, but the war prevented its ratification. He took steps to revise the old Spanish concordats of 1851 and 1859, but this work did not go beyond the preliminary stage. The World War cleaned the slate of all these Papal conventions and agreements with European states. The task of creating a new concordat structure was therefore undertaken by Benedict XV (1914-1922) and continued by Pius XI.

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among experts in canon law. Those made by Pius XI were no exception. He lived long enough to witness the shipwreck of most of his concordats; his successor has now seen the collapse of others. Strange to say, none of them has been denounced or legally abrogated by either party. In theory they are all still in effect; but in fact they have been treated with the same contempt that has been the lot of so many other treaties in recent years.

The concordats with the old German states of Bavaria, Baden and Prussia became a dead letter when the new Nazi constitution made them mere provinces in the Reich — despite the fact that Hitler had promised that the concordats would not be affected by the change. A concordat was hastily concluded with the Reich in July 1933, a few months after Hitler took power, and was ratified the following September. But it was barely given a trial, for within a short time all its provisions were completely ignored by the Führer. Next came the turn of the Austrian concordat negotiated by Dollfuss; it was signed in June 1933 but not ratified till May 1934, when it became the first act of his dictatorial régime after the *coup d'état*. Four years later came the *Anschluss*. Not only was the concordat scrapped, but the Catholic Church in Austria, which had always thrived under government protection, was treated more ruthlessly even than in Germany proper.

The Polish concordat of 1925 — "the best legal status that the Catholic Church has ever obtained in modern Europe" — died when the Germans and Russians invaded the country and partitioned it last September. The new Soviet régime has already "purged" White Russia and Galicia of their "religious superstitions." In the German-controlled provinces, the concordat has virtually become a dead letter — as we recently learned when the Vatican City radio denounced the "atrocities" inflicted on the Polish clergy by the Nazis. The *modus vivendi* with Czecho-Slovakia also depends, of course, on Hitler's interpretation and good will, both in the Sudetenland and in the Protectorate. The situation in nominally independent Slovakia may be conjectured from an incident which occurred recently. When the Slovak President-priest, Dr. Tiso, was reëlected, he sent almost identical messages to the Pope and to Hitler. This so offended Pope Pius that he refused to acknowledge Tiso's act of homage.[2] As for the concordats with Latvia and Lithuania, now virtually Soviet protectorates, they are not likely to be respected for long.

[1] *New York Times*, November 3, 1939.

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III

The Jesuit, Yves de la Brière, wrote that the concordats of Pius XI "organize an open alliance and a close collaboration between the religious and the secular powers." [3] In other words, they represent a return to the old system which liberal and democratic governments repudiated in the nineteenth century.

The avowed purpose of concordats is to secure peaceful coöperation between church and state and to prevent the subordination of either one to the other. In reality, however, those negotiated by Pius XI produced conflicts in such countries as Lithuania, Rumania, Jugoslavia and even Catholic Poland. And those made with the great dictatorships were even less successful. Yet these were the ones from which the Vatican had expected the most, for it had failed to realize that no concordat could possibly fit into the ideological system of either Fascism or Nazism.

In the case of Italy, the two years of negotiation preceding the Lateran Agreements should have given the Holy See ample opportunity to see the incompatibility between the claims of Fascism and the Church. Still more significant evidence of the underlying radical opposition appeared after the concordat was signed, in the sharp exchanges between the Pope and Mussolini over matters of interpretation. Yet in spite of all this the concordat was ratified. Conflicts flared up again and again. In 1931 the Pope denounced, in his encyclical *Non abbiamo bisogno*, the pagan principles of the Fascist state, only to yield to what was called a compromise but was in fact surrender under duress to the Fascist claims.

After this experience, why did the Vatican then rush to make a concordat with Hitler? There was no mystery concerning the anti-Christian content of Nazi doctrine and practice. The German bishops had denounced them and had even forbidden Catholics to join the Party. True, at the last moment Hitler tried with suave words to reassure the Church as to his intentions, and the German bishops withdrew their opposition. But anyone who had read "Mein Kampf" and understood Hitler's idea of *völkische Weltanschauung* or who had glanced at Rosenberg's "Der Mythus des XX Jahrhunderts" and knew what part it was already playing in the transformation of National Socialism into a

[3] "L'Organisation Internationale du Monde Contemporain et la Papauté Souveraine." Vol. II, p. 206.

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religion for the Germans, might easily have doubted the sincerity of Hitler's words towards the Church. The Vatican, however, cherished the hope that in spite of all this a practical *modus vivendi* could be found. Since the lamentable fate of the concordat with Hitler's Reich was told by Pope Pius XI himself in his encyclical of March 14, 1937, we need not retell it here.[4]

In Italy external appearances at least were respected, except during the short periods when the Vatican tried to offer resistance. Mussolini was willing to "save the face" of the Vatican by apparent "compromises." In fact, however, the Italian régime gained control over the clergy and ecclesiastical institutions. The most effective weapons that the concordat gives the régime are the provisions concerning the financial support of the clergy by the state, the state's right to raise political objections against episcopal and other ecclesiastical appointments, and the obligation imposed upon the clergy to take an oath of allegiance to the state and to refrain from all political activities.

The Church justified its financial support by the state as being compensation for ecclesiastical properties confiscated in the past. But this does not alter the fact that in countries where concordats exist, bishops and curates depend entirely or in part upon the state treasury for their subsistence. However devoted and pure-hearted they may be, their conduct cannot help being affected by the financial factor. It is perhaps significant that the Fascist régime, though far from prosperous, continues to discharge its financial obligation towards the clergy.

The right to veto any candidate for ecclesiastical preferment eliminates politically undesirable clergymen from all positions of authority. A more efficient device for keeping the clergy in hand is the way the Fascists interpret and apply the provision forbidding them to engage in political activities. Should a priest dare to express disagreement with any act or decision of the Government he at once becomes guilty of meddling in politics.

No wonder, then, that the Italian clergy, especially bishops and prelates, became outspoken supporters of the Fascist régime, and that some of the Italian Cardinals have delivered the most extravagant eulogies of the Duce, even in moments when the Vatican and the Government were engaged in bitter disputes. The extent to which the Italian clergy had imbibed the spirit of

[4] Nathaniel Micklem, "National Socialism and the Roman Catholic Church." New York: Oxford University Press, 1939 (Chapter VII, The Concordat).

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Fascism was shown at the time of the Ethiopian War. The moral conscience of mankind, Catholics included, almost universally condemned the Italian adventure, because, in the words of Don Sturzo, from "the formal point of view it was a clear and intentional breach of the Covenant of the League of Nations and from the moral standpoint it was indisputably a war of aggression and conquest."[5] But it was not this to the clergy or the Catholic press in Italy. Their answer to the Catholics of other nations was first, that the government of a country is the sole judge of the justice of its own cause, and second, that the African war is a war for Christian civilization. Cardinal Schuster, Archbishop of Milan, went particularly far in enthusiasm. In an address to the School of the Fascist Mystic at the time the title of Emperor of Ethiopia was bestowed on Victor Emmanuel, he likened Mussolini to Constantine and Augustus, and declared: "After the March on Rome and the Lateran Agreements, God has answered from heaven by crowning through the Duce's work, by crowning, I say, Rome and the King with an ever flourishing imperial laurel."

A circumstance which may explain this ecclesiastical apotheosis of the Fascist régime is the fact that Mussolini's government has aided the Church not only financially but in the spiritual field. Thus, for instance, Protestant propaganda has been completely suppressed in Italy, scholarly books and periodicals treating the history of Christianity from an unorthodox point of view have been removed from circulation or forbidden to appear,[6] and even certain special points of canon law affecting civil relations have been introduced into the new Italian Civil Code, superseding the old and more liberal juridical traditions. In such concessions the bishops see an extension of their authority; in fact, of course, they are ties which bind the Italian Church more closely to the chariot of the Fascist state.

IV

As a result of the Lateran Agreements of February 1929, Papal sovereignty acquired a tangible body in the shape of the independent territory of Vatican City — "just enough to contain the soul," as Pius XI remarked, paraphrasing a motto of St. Francis.

[5] Luigi Sturzo: "Church and State." New York: Longmans, 1939, p. 503.

[6] For example, the two reviews *Bilychnis* and *Religio*, which dealt with the historical and philosophical aspects of Christianity, often from an unorthodox point of view, were suppressed by the Government after being condemned by the Vatican.

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The Vatican's original plans for conciliation with the Italian Government included an international guarantee of a reconstituted Papal state. When the League of Nations was formed in 1919, Benedict XV was hopeful that the Holy See might not only participate in its work but receive its guarantee. But seven years later this idea of an international guarantee was abandoned; and after the conclusion of the Lateran Treaty, Pius XI declared that the Holy See had given up the idea willingly, since such guarantees had no value — as had been demonstrated in 1870 when the Temporal Power was overthrown. The following Article (24) of the Treaty was deemed adequate for the protection of the independence and stability of Vatican City:

> With regard to the sovereignty pertaining to it in the field of international relations, the Holy See declares that it wishes to remain and will remain extraneous to all temporal disputes between nations, and to international congresses convoked for the settlement of such disputes, unless the contending parties make a joint appeal to its mission of peace; nevertheless, it reserves the right in every case to exercise its moral and spiritual power. In consequence of this declaration, the State of the Vatican will always and in every case be considered neutral and inviolable territory.

This article clearly indicates that the Holy See promised not to mix uninvited in the temporal quarrels among states, and in return obtained a guarantee of the neutrality and inviolability of Vatican City. The connection between renunciation and inviolability suggests that if the Holy See should cease to be neutral, its territory would no longer be inviolable. In that respect the phraseology of Article 24 seems quite plain. The difficulty begins with the clause in which the Holy See "reserves the right in every case to exercise its moral and spiritual power." A literal interpretation of these words suggests that the Holy See retains complete freedom of action in all cases, even including quarrels among states having a temporal object, any time that it deems such an intervention advisable for moral and spiritual reasons, or more specifically any time that it regards such quarrels as also involving moral and spiritual issues or interests.

Clearly the Holy See asserts its exclusive right to decide whether or not any dispute among states involves a moral or spiritual issue, since the Papal office is by definition vested with direct and supreme authority in such matters, whereas the Fascist régime has no qualifications for passing moral or spiritual judgments. Yet one can scarcely imagine a temporal dispute

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among states which does not also imply a moral issue, for no matter to what extent conflicting claims may be founded on historical or political or economic arguments, they almost invariably end by being submitted to moral criteria. If this is the sense in which Article 24 is to be taken, then the papal renunciation of interference in international conflicts is a mere verbal quibble.

But from the Fascist point of view, the exclusion of the Holy See from participation in international disputes is the counterpart of the obligation imposed upon the national clergy, by Article 43 of the concordat, to abstain from politics within the nation. Article 24 of the Treaty and Article 43 of the concordat complement each other, for they have the same purpose, that of keeping the Church out of politics. As a matter of fact, if the Vatican for any reason whatever were allowed to take sides against Italy in an international conflict, the Italian clergy would have to choose between following Papal guidance in open violation of Article 43 of the concordat, or rebelling against the Vatican. This controversy is, of course, merely a sham battle, for Mussolini uses Article 24 only to deter the Holy See from expressing any opinion unfavorable to his régime. If at any time, however, he wants the moral support of the Vatican and Catholic opinion, he not only forgets Article 24, but invites the Holy See to violate it by taking sides in an international conflict.[7]

The first important test of the value of this article came in the Ethiopian War. Even before the War began, all over Italy priests, bishops and even cardinals were presenting it as a crusade for the conversion of the Abyssinians to the true faith. When confronted with the moral indignation of the whole world, in which the Catholic press had joined, Pius XI felt compelled, in an address of August 27, 1935 (a month before Ethiopia was invaded), to remark that if, as was believed abroad, this were to be a war of conquest, it would be truly "an unjust war." But, he added, "we do not believe, we will not believe in an unjust war." With reference to the contradictory Fascist claims that Italy was fighting a defensive war but that she had a right to expand, the Pope declared that "if the need for expansion is a fact, then that must be taken into account; the right of defense has its limits

[7] Thus, the Pope took sides in the Spanish War and praised the Italian "volunteers" (organized units of the Italian Army); this was a useful sanction of Italy's violation of her international engagements in regard to "non-intervention."

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and moderation that must not be overstepped if the defense is not to be culpable." He concluded by admonishing the responsible statesmen not to do anything "that might aggravate the situation and irritate hearts" and not to lose "precious time" in carrying out a "work of pacification."[8]

Pius XI was very fond of talking impromptu; unlike Leo XIII, who distrusted improvisation and always measured his words most carefully, Pius expressed his thoughts in a somewhat conversational style which was usually clear even when it was not impressive. This time, however, his words were painfully involved and sounded like one of those ancient oracles that could be read both ways. As a matter of fact, conflicting interpretations appeared in Catholic papers: some saw in them an evident rebuke to Italy; others saw a positive affirmation of principles in connection with only a neutral statement concerning the "facts" of the case; still others merely detected a suggestion that "moderation" be used and that a compromise be made in order to avoid a resort to arms. All emphasized the point that the Pope had once more clearly stated the Catholic doctrine which condemns unjust war. Perhaps the most significant comment upon the Pope's words was made by the Archbishop of Westminster, now Cardinal Hinsley, who apologetically but frankly stated that the Pope, "a poor old man," could not "denounce the neighboring power, a power armed with absolute control of everything and thus make war with his dictator-neighbor inevitable, with the result of a fierce anticlerical outbreak. Until the Pope is invited to intervene by both sides he cannot act as a judge . . . and he has not been invited."[9] A more devastating indictment of Article 24 can hardly be imagined, for we cannot fail to remember that before the Lateran Treaty was signed the papacy was "under a hostile domination" (*sub hostili dominatione constitutus*) and the Popes not only freely criticized the Italian Government but even deplored its very existence and invoked its downfall.[10]

After the Ethiopian campaign had ended in an Italian victory, addressing the opening ceremony of the Catholic Press exhibition (May 12, 1936), the Pope took occasion to express his joy that the ceremony "coincided with the triumphal joy of a great and good people, for a peace which should be an effective factor and a

[8] The Pope ignored Italy's various treaties with Ethiopia as well as her obligations as a member of the League.

[9] *The Universe* (a Catholic newspaper of London), October 18, 1936.

[10] Most commentators failed to understand fully the rather equivocal utterance of the Pope.

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prelude to the true peace of Europe and of the world."[11] This was his final benediction of the Ethiopian adventure.[12]

The truth of Cardinal Hinsley's assumption that Article 24 is embarrassing to the Holy See cannot be denied. It accounts at least for the fact that when the Pope, for moral or religious reasons, feels obliged to raise his voice in regard to a temporal conflict, he has to begin by explaining and apologizing, in fear of being accused of having violated the Lateran Treaty. For example, when Pius XII received the new Minister of Lithuania to the Vatican (October 18, 1939) and called his attention to the dangers for religion in the Soviet expansion in the Baltic regions, he prefaced his remarks with a clear reference to Article 24:

> Conscious of the duties proper to our office as supreme pastor, we will not, without its being requested of us, let our action, always directed towards the salvation of souls, become involved in purely temporal controversies or territorial competitions between states. But the very duty of our office does not permit us to close our eyes when the new incommensurable dangers arise precisely for the salvation of souls. . . .

Of course the Pope cannot be expected to bestow absolution or condemnation upon governments every time they are involved in conflicts, particularly when the Papal voice will obviously remain unheard. Yet since, as Father de la Brière tells us, the concordats of today are equivalent to an alliance between church and state, and since such an alliance implies collaboration on religious and moral grounds, the silence of the Holy See in the face of moral issues which have stirred the conscience of believers the world over, would easily lend itself to unpleasant misinterpretations. Still more open to suspicion would be its silence on — or

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Its meaning, however, was made clearer in a series of articles by Father Messineo published in the Jesuit periodical of Rome, *Civiltà Cattolica*, the editor of which is appointed directly by the Pope; these articles were later reprinted in book form under the title "Giustizia ed Espansione Coloniale" (Rome: La Civiltà Cattolica, 1937). His argument is simple. A nation which is so overpopulated that the soil cannot support all its inhabitants has the right to provide for their needs by occupying, forcibly if necessary, lands and regions which happen to be undeveloped and which are not needed by the nation that owns them. All other means which have been suggested for solving the problem of overpopulation — birth control, emigration, etc. — are either immoral or unjust. If "vital expansion" is a right, then the expanding nation has also the right to use force if the exercise of that right is opposed by force. In such a case the one who sins against justice is the owner who resists the needy aggressor.

[11] Luigi Salvatorelli, "La Politica della Santa Sede dopo la Guerra." Milan: Istituto per gli Studi di Politica Internazionale, 1938, p. 224.

[12] It is perhaps not irrelevant to recall that in 1895–96, when Italy was similarly involved in a war of "vital expansion" with Ethiopia, the *Civiltà Cattolica* had no words strong enough to condemn the Italian aggression as immoral, unjustifiable and even foolish, because after all Ethiopia was a barren country.

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even worse, its approval of — an aggression on the part of Italy which had been universally condemned as wrong. Besides the moral question, this would raise the problem of the independence of the Holy See from the Italian state. The shadow of Avignon still hangs over the Catholic conscience.

V

The crusade against Communism was the keynote of the pontificate of Pius XI. A conservative by training and conviction, Pius had no sympathy for the democratic institutions which (with their "fetish of liberty," as he dubbed the constitutional rights of freedom of thought, of speech and of assembly) had become hotbeds of Socialism and Communism. As long as radicals of the Left were not restrained from carrying on their propaganda and from organizing revolutions subsidized by Moscow, no moral exhortation or religious preaching would be adequate to save the world from ruin. The biographers of Pius XI put much stress on his indignation against Communism as the key to most of his policies.[18] According to them, he looked with favor upon the rise of Fascism because it sought to save Italy from Communism. He had no confidence in the Popular Party of Don Sturzo, though it had been organized with the blessing of Benedict XV and though its program was purportedly based on the Papal encyclicals. Pius withdrew the support of the clergy and of the Catholic organizations and left it helpless before the onslaught of the Fascists. True, Mussolini's past had been, religiously speaking, rather dark. True, Fascism in its revolutionary march to power had shown no respect for Church or clergy. True, the Fascists looted and destroyed all the coöperatives and banks, workers' associations and clubs which had been built up by a whole generation of militant Catholics with the encouragement of the Holy See. True, consolidation of the dictatorship during the fateful years 1924–26 was accompanied by scenes of violence and murder. Yet the confidence of the Vatican was not shaken.

It was likewise in the hope of saving Europe from Communism that Pius signed a concordat with the Nazi régime only a few months after Hitler's advent to power. The same policy which had sealed the doom of the Popular Party in Italy was applied to the

[18] The dozen or so biographies of Pius XI by Catholic authors are mostly of the hagiographical type and of little value. The only important study on the pontificate of Pius XI is that of Luigi Salvatorelli, "Pio XI e la sua Eredità Pontificale" (Turin: Einaudi, 1939).

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German Center Party, which since the time of the *Kulturkampf* had been the stronghold of Catholicism in German politics. Nazi Germany, in the opinion of the Vatican, was the only force that could stop the westward march of Soviet Russia.

If Pius XI, in the face of repeated violations of the concordat by the Fascist régime, staged a brief resistance and then silently acquiesced; if he could bear, though under protest, to see the Church in Germany confronted with the alternative of being either Nazified or persecuted; if he did not stand up like some of his predecessors, unafraid of even personal violence — he did so only because, after all, without Mussolini and without Hitler, Italy and Germany would have been conquered by the Reds. In the Spanish rebellion the Vatican, which only a few years before had discouraged a Catholic armed revolt in Mexico, now sanctioned the verdict of the Spanish bishops that the Government elected by the people was illegitimate. Was this not because the rebels were "crusaders" against Communism? Spain was thrown into the abyss of a civil war in which the new crusaders, like those of old, "entered Jerusalem wading in the blood of the slain enemies." Both before and after the triumph of Franco and of his "non-interventionist" allies Pius XI and his successor Pius XII gave their blessings to the "heroic crusaders." Was this not because without Franco and without the Italian and German bombs Spain would have fallen prey to Moscow?

Now, what are the results of this policy? To judge from the posture of affairs in Europe today, the confidence of the Holy See in the dictators as providential agents for the restoration of religion and as White Knights ready to slay the dragon of Communism was grossly misplaced. The Vatican had looked with favor upon the rapprochement between Fascist Italy and Nazi Germany, perhaps in the hope that under Mussolini's influence Hitler would become more manageable regarding ecclesiastical policies. Unfortunately, it worked the other way around, for it was Mussolini who, by adopting the myth of racial purity and anti-Semitic laws in imitation of Hitler, made another dent in the already much-battered Italian concordat. Even the ungrateful Franco is now picking a quarrel with the Vatican by claiming the right, once exercised by the Catholic kings of Spain, to make and unmake bishops at will.

In spite of his many disappointments, Pius to the very end contrived to believe that the two great dictatorships in Germany and

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Italy were the only solid blocks which stood in the way of Communism. As such they were a lesser evil. This soothing thought consoled him for the failure of his policies in other directions. But even this last ray of hope has now disappeared: the anti-Comintern front has collapsed and the political apostasy of Hitler has opened the gates of Europe to Soviet Russia. There is still Mussolini, whose Fascist youngsters continue to scream "Down with Russia!" But the Axis also still remains, and nobody knows what the Italian dictator will do, or be allowed to do, in the near future. Yet whatever destiny may have in store for Italy, one thing is certain: the interests of religion and of the Church will have no weight in the decisions of the Fascist régime.

VI

The first encyclical of a new Pope is usually an important document which reveals the spirit and at least some of the aims of his pontificate. Encyclicals, being official documents of normative but no dogmatic value, offer the Pope ample scope for passing judgment on certain theories and practices of contemporary religious, social and political life, and above all for refuting new ideas that deviate from the Christian tradition and for condemning movements considered detrimental to the spiritual and temporal interests of the Church.

The first encyclical of Pius XII (*Summi Pontificatus*, October 20, 1939) was hailed by the press and the general public as a condemnation of the Fascist and Nazi states. But this was misleading. In reality the encyclical is not at all concerned with forms of government, dictatorial or democratic, but rather with the moral and religious content of political systems in general, irrespective of their forms or names.

The great error which the encyclical condemns is the "Godless State," the error which "divorces civil authority from every kind of dependence upon the Supreme Being." This is the same condemnation of secularism and agnosticism which recurs in so many encyclicals of the last century, when the target was the liberal state. Nazism and Fascism may represent extreme forms of the secular utilitarian conception of the state, but as far as the old agnosticism is concerned, they have replaced it with new faith in the state itself, a deity that has nothing to do with the Christian God. Yet the root of all evils is still the same — the divorce of the civil authority from the Christian God. As a result of this

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divorce "the civil authority . . . tends to attribute to itself an absolute autonomy . . . and elevates the State or group into the last end of life, the supreme criterion of the moral and juridical order." This refers particularly to Nazi and Fascist ideologies, but other régimes do not escape censure in so far as they too claim to control activities beyond their proper competence.

In the days of Pius XI the racial policy of the Nazis and Mussolini's anti-Semitic laws (which affected the marriage provisions of the Italian concordat) provoked papal indignation. Many thought that the old pontiff might publish a solemn encyclical *De Judaeorum Gente* which would clarify once for all the attitude of the Catholic Church toward the Jewish problem, as it exists in the contemporary world and not as it was in the Middle Ages. Such a clarification seems greatly needed, for on this question many discordant voices resound in the Catholic world. In Italy, for instance, the *Civiltà Cattolica* long carried on a relentless campaign against the "Masonic-Jewish gang" (*cricca massonico-giudaica*) which it held responsible for the evils of liberalism and anti-clericalism, and later also of Socialism and Communism. In France, where the anti-Semitism of the Catholic press was always violent, a number of the clergy and of the Church hierarchy became so deeply implicated in the Dreyfus affair that they did more harm to French Catholicism than a century of persecution. In Poland, a pastoral letter of the Primate, Cardinal Hlond, published in 1936 at a moment when anti-Jewish riots were taking place in several Polish cities, especially in universities and schools, called the Jews "the vanguard of atheism, Bolshevism and revolution," and invited an economic boycott of them. He concluded with the simple phrase: "But it is inadmissible to assault, hit or injure the Jews." One can imagine the effects of his pronouncement on excited students and on the rabble looting Jewish shops. In the United States, where the Catholic clergy as a whole has joined in denouncing anti-Semitism, we have continued to hear the discordant voice of Father Coughlin.

What has Pius XII had to say about anti-Semitism since he ascended the Papal throne? In his encyclicals he denounces "the forgetfulness of that law of human solidarity and charity which is dictated and imposed by our common origin and by the equality of rational nature in all men, to whatever people they belong, and by the redeeming Sacrifice offered by Jesus Christ . . . on behalf of sinful mankind." But in suggesting a remedy he remains in the

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theological sphere, merely reiterating the law of charity which unites all races "in the pacifying light of love."

Turning to another passage in the encyclical we find a direct allusion to international politics in the denunciation of unfaithfulness to agreements, and the unilateral breaking of treaties. Yet this question is also a religious one because the papal rebuke is addressed primarily to states which have violated, or discarded outright, their concordats with the Holy See. And lastly in a section seemingly added at the last moment, the Pope warns the belligerent Powers against the temptations of victory "when the heart of the victor is too easily hardened" and settlements are imposed which are "nothing else than injustice under the cloak of justice."

This first encyclical of Pius XII is more than usually homiletical in language and style, as if to stress that his program is to be strictly religious. Even when dealing with political problems he intends that his approach shall be exclusively from the point of view of moral and religious principles, without any political bias or partisan feeling. Even so the Pope knew he would be misunderstood, for he declared that he would not let himself be influenced "by fear of misconceptions and misinterpretations."

Since the agreement between Hitler and the Soviets the Vatican has had little or no reason to withhold a solemn condemnation of Nazi "errors." Fascism, however, still has to be treated gently, though its theories about the state differ only slightly from those of Nazism. Italy, moreover, still persecutes and discriminates against the Jews.[14] Yet the Pope's encyclical after greeting "Our dear Italy, fruitful garden of the faith," and expressing the hope that the Italian people "may always be faithful to their glorious Catholic tradition," manifests joy that the Lateran Agreements have inaugurated "brotherly union in religious and civil intercourse" and have secured and sealed "this happy new juridical and spiritual position" of the Papacy and the Church in Italy. Pius XII thus put the Fascist régime in a class by itself. After all, is it not at peace with the Church? The encyclical therefore did not provoke a hostile reaction in the Fascist press. Indeed, a few commentators even declared that they saw no divergence between the principles of Pius XII and Mussolini. Most journals, however, briefly dismissed the document as a doctrinal state-

[14] Beginning March 1, 1940, Italian Jews are barred from the professions, including medicine, pharmacy, law, engineering, chemistry, architecture, etc.

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ment of perhaps some use to theologians but with no bearing on practical political questions.

The general remedy suggested by the encyclical for the world's evils is the return of states and peoples to God, or more specifically, to the Church. The state "needs the help of the Church" and to obtain it must protect the rights of the Church. Otherwise there can be peace neither with the nations nor between them.

VII

At this point certain conclusions concerning the probable future course of Vatican policies suggest themselves. First of all, as soon as circumstances permit, Pius XII will unquestionably initiate negotiations for new concordats or for the revival of old ones. In this respect he clearly intends to follow in the footsteps of his predecessor. It may seem strange that the Vatican should insist upon concordats when history demonstrates that they have failed to secure peaceful collaboration between church and state. The answer is obvious: the alternative to concordats would be the separation of church and state. Time and again the Church has condemned the principle of separation as a heresy. But there is an even more compelling reason for opposing it, a supreme reason affecting the sovereignty of the Holy See itself.

In any country where separation of church and state prevails, the juridical status of the Catholic Church is simply that of a private institution, having a local character and enjoying common liberties under the law. Within this framework the Church can organize itself as it wishes, can have its own regulations binding upon its own members, and can have connections with and be subordinate to religious hierarchical powers outside the state; but as a supranational institution it has no juridical or political standing. This means that a régime of true separation has no room for the official recognition of Papal sovereignty, no room for concordats or other agreements, and no room for diplomatic relations with the Holy See. To be sure, the Holy See is well aware that in modern times the Church has enjoyed more freedom and has gained more ground in countries under the régime of separation than with those with which it had concordats. But in the judgment of the Vatican the prosperity of the Church in such countries as, for instance, the United States is not the result of separation but of special circumstances which have transformed separation, to quote Pius XII himself, into a

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"benevolent neutrality" of the state towards the Church. Cardinal Gibbons used to say that the Church needed nothing from the state beyond a guarantee of its common liberties, for under these the Church not only retained all its freedom of action but enjoyed greater prosperity. But the Roman prelates think that though this principle, with reservations, might work well in America, it is not adapted to Europe and cannot be accepted as a rule.

No less important as a factor in determining the Vatican's policies is its relations with the Italian state. In a speech delivered only a few months after the signing of the Lateran Treaty, Mussolini distinguished between it and the concordat. He emphasized the perpetual and final character of the former, which "did not resurrect but buried forever the temporal power of the Popes," and belittled the latter as having only a contingent and relative value. Pius XI replied that treaty and concordat were indissolubly bound together and that if one fell the other would fall with it. The implications of this statement are very far-reaching for anyone who knows how short-lived concordats have always been, though we may be sure that the Holy See is the last to desire to have this question brought to a test. Fascism may have sinned grievously against the concordat, but maintenance of the Lateran Agreements is at present of vital importance to the Vatican; and, as things now stand, their fate is bound up with that of the Fascist régime. Since the régime is probably secure from overthrow as long as Mussolini keeps out of war, the Vatican has a clear interest in Italy's remaining a "non-belligerent."

Of late Pius has almost gone out of his way to grasp opportunities for expressing his unbounded confidence in the Italian Government. At the reception of the new Italian Ambassador to the Holy See (December 7, 1939) he spoke glowingly of the Lateran Pacts and of the "valiant, strong, laborious Italian people, the wisdom of whose rulers and whose own inner impulse has thus far happily preserved them from being involved in the war." Two weeks later, the solemn visit of the King and Queen to the Vatican gave him the occasion for more compliments — "Italy . . . always vigilant and strong under the august and wise hand of her King-Emperor and by the farseeing guidance of her rulers. . . ." Observers noticed that in these addresses the Pope made no direct mention of *il Duce*.

What really is going on behind the scenes in Italy at the moment this article is written is far from clear. Mussolini signifi-

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cantly declared in September that "the pilot must not be disturbed" while steering the ship of state through heavy weather. Then came the anti-Soviet outburst of Balbo's newspaper on October 8, followed later by the pro-Finnish demonstrations. These manifestations were obviously indirect blows at the Axis. The Pope joined in them by openly denouncing both the Nazis and the Soviets in his speech at the reception of the Italian Ambassador.

But on December 8 the solidity of the Axis was reaffirmed by an official communiqué of the Fascist Grand Council, and again by Ciano's speech before the Chamber on December 16. It was in this speech, however, that Ciano revealed that Italy had entered into the military alliance with Germany (May 22, 1939) on the understanding that there was to be no war for at least three years, because it would take Italy that long to repair her military machine. He also stated that the Nazi-Soviet agreement had been made without consulting the Italian Government.

Then came the Pope's Christmas address to the Cardinals suggesting a five-point peace program: (1) independence of all nations; (2) disarmament; (3) a new and better League of Nations; (4) a just distribution of resources; and (5) the Sermon on the Mount as textbook for statesmen and politicians. It does not seem that Mussolini, "the pilot who did not wish to be disturbed," was much pleased by this initiative. Pius XII understood; and on the occasion of his return visit at the Quirinal, after having said that "the Tiber's waves have overthrown and sunk the unhappy past, so that on the shores of the Tiber olive branches now blossom," the Holy Father made a point of invoking God's blessing also on "the illustrious chief of the Italian government and *his* ministers." This slight pontifical slip (because technically the ministers are the King's and not the Duce's) underlined the significant papal compliment.

It does not seem, nevertheless, that Mussolini was placated. It was very good for the Pope to say in connection with the first of his five points, that "one nation's will to live must never be tantamount to a death sentence for another," thinking of Poland and perhaps of Czechoslovakia. But had he forgotten Ethiopia and Albania, whose Emperor-King he had so warmly praised a few days before? At any rate, Mussolini's visit to the Vatican, officially announced as imminent, has not taken place. It may or may not be significant that on January 10 a troop of Italian university

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students received by the Pope staged a noisy and irreverent demonstration in the Vatican. The Fascist battle-cry "Duce! Duce!" was said to have resounded in the halls of the Apostolic Palace for the first time. Was it a delicate warning and reminder of Article 24 of the Lateran Treaty? Has the Vatican been trying to widen the cleavage between Italy and Nazi Germany, and have these manœuvres provoked resentment and counter-manœuvres?

All this does not mean that the Vatican would look with favor upon Italy's participation in the war on the side of the Allies. In case Hitler won a crushing victory he would establish a mighty European empire in which Italy would become a vassal state or a conquered province, depending on whether she fought for or against Germany. On the other hand, a crushing victory by the Allies would mean the disintegration of Germany and perhaps a new Communist danger along the Alps. Last but not least, the downfall of the German dictatorship and the triumph of the democratic Powers might well be fatal to the Fascist régime in Italy. The prospect of this does not appeal to the Vatican. From its view, a much happier solution would be the survival, in a chastened but not defeated Germany, of a dictatorial régime, purified of the more extreme parts of the Nazi ideology; and of a Fascist Italy purged of "racism" and exaggerated nationalism. If in addition the constitutions of democratic countries were changed so as to abolish or restrict the "so-called liberties" which make Socialist and Communist propaganda possible, then peace and order would be truly restored to the world. The alliance of church and state, secured by concordats with the Holy See, would cement the new political structure and call down upon it the blessings of the Church and of God.

The Vatican is well aware, however, that reality never keeps up with the ideal. While hoping for the best, it is ready to deal with new situations by applying the old policy of compromise with the lesser evil. As Pius XI once expressed it, the Holy See is ready "to bargain even with the devil, if this should mean the saving of a single soul."

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GERMANY BEHIND THE BLOCKADE

By Karl Brandt

AFTER six months of war the riddle is still the same: Can the Allies defeat Nazi Germany by their blockade, or can she become self-supporting in safety behind the Siegfried Line? Strategists and statisticians are busy checking and rechecking the facts and estimating the potentialities. Nobody can *prove* what the final issue will be. But one can ascertain the range of probabilities.

At first sight it seems as though history were repeating itself in a cycle of only twenty-five years. Again Great Britain and France are fighting Germany on the Western Front; again they are trying to throttle her by a naval blockade; again *Mitteleuropa* is in the German grasp. But at closer range the contours look different. In 1914 the war came as a surprise after an era of forty-four years of peace. A large accumulation of invisible reserves was ready for mobilization by both sides when the struggle began. This time, though Nazi Germany has built up and is operating a highly perfected totalitarian fortress economy, she lacks the dormant reserves normally carried over from a long era of peace. Further, Alsace-Lorraine, Belgium and northern France are not, this time, in her hands. Even the Saar coal and iron region lies almost idle, within range of the Maginot Line guns. Offsetting these disadvantages, the whole German machinery of planning, rationing and requisitioning became fully operative from the first day of war. This happened last time only after the war had been going on for two years. Our conclusion must be that although Germany is weaker today in economic assets than she was in 1914, she is relatively stronger in utilizing them. Her substance is smaller, but her effective exploitation of it is greater.

To answer the question whether Germany is blockade-proof, as her leaders claim, we must check over the critical items in her economy. She now has at her disposal, counting the populations of Austria, Czecho-Slovakia and German-controlled Poland, an industrial labor force of some 35 million employed persons. Her aggregate of industries has a larger export capacity than that of Great Britain.[1] These industries are highly versatile and adapta-

[1] The German steel output in 1938 was 120 percent higher than that of Great Britain and half that of the United States.

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ble. They are located near rich coal deposits, they are supplied with abundant electric power, and the plants are up-to-date. The army of workers is highly skilled, and is directed by the necessary technicians. A unified system of railways, supplemented by partly finished super-highways, unites the country in all directions.

Germany's rise from an agrarian country to the position of England's chief industrial competitor was not achieved without incurring a deficit in foodstuffs. That is why ever since the World War there has been one drive after another in Germany to increase domestic food supplies. Pampered by the Government, German farmers today are producing more grain and grass, more sugar beet and potatoes, more milk and pork than ever before. Under peacetime conditions, about 87 percent of all the food consumed in Germany is now grown on German farms, compared with some 75 percent in 1914. The chemical industry provides a tremendous supply of fertilizer at low cost. The nitrate industry is on an export basis. The World War pitifully depleted the German cattle herd; in 1920 there were 20 percent fewer cows than in 1913, a decrease of 2 million head. But today the cattle situation is better than ever before. The number of pigs and the slaughter-weight of pigs reached an all-time high in 1939. German agriculture may be said to be in as good trim as German industry.[2] After the successful Blitzkrieg in Poland the most productive parts of that country agriculturally and industrially (except the oil wells) fell to Germany.

From the day the Nazis began to menace Europe with war various foreign experts have been busy comforting frightened nations by pointing out that Germany was financially weak, was bound to go bankrupt soon, and that this would be followed rapidly by the deterioration of the political situation. If anything has become increasingly clear in the complex Nazi riddle it is the nonsense of all this complacent self-deception. Granted that Germany's finances are greatly strained, it remains true that her financial situation will not interfere seriously with her capacity to live through a long war. The public debt has been rising at an accelerating rate ever since the Nazis came to power; but the tremendous increases in production and in tax revenues have permitted the Government to avoid a crisis.

[2] The conquest of Austria and Czecho-Slovakia has given Germany important new agricultural and forestry resources, but they do not amount to much one way or the other on the food balance-sheet, because Czecho-Slovakia had a small surplus and Austria a small deficit.

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A major part of the rising public debt has gradually been converted from short-term to long-term paper by diverting a large fraction of private and industrial savings into the state coffers. To be sure, the public debt continues to rise, and at an increasing rate. By the middle of the summer of 1939 the Reich, the states, the provinces, and local communities had incurred a debt estimated at around 60 billion Marks; of this, more than 40 billion Marks were publicly recorded obligations of the Reich alone. In August 1939 the Reich indebtedness increased by 1.3 billions; in September by another 1.4 billions. If we take 1.5 billions as the present normal monthly wartime deficit, then the debt of the Reich by the autumn of 1940 would amount to 58 or 60 billions. This means that the public debt would total at least 80 billion Marks, just about one year's national income at the recent high line.

Yet in spite of this trend, which naturally looks thoroughly unsound to a financier, it would be most misleading to assume that Hitler will lose the war because he is "bankrupt." His economists are now introducing a tremendous new levy on labor incomes by paying wages partly in "saving scrip" instead of in cash. This scrip can only be deposited in savings accounts, whence it is promptly drafted for government obligations. The government balance sheet may be improved also in many other ways. The interest rate on bonds may be reduced arbitrarily, or the total volume of outstanding bonds may be shrunk by forcing the holders to exchange new bonds for old at a ratio of one for two — or any ratio. In other words, the Government can default on its bonds whenever this seems expedient. The Führer may even call together bank presidents and industrialists to celebrate some national sacrifice by making a magnificent bonfire of bonds — with decorations handed out for every 100 millions Marks' worth burned.

According to Hitler, Germany from March 1933 to the summer of 1939 spent 90 billion Marks for armaments, or 18 billion Marks a year. This stupendous sum absorbed all of the tax and duty revenues of the period; and 20 billion Marks had to be borrowed in addition. No wonder that in 1938 a higher national income than in 1928 left the population with a 10 percent smaller money income for consumption, and an even smaller real purchasing power. And yet, no *internal* financial dilemma will wreck the Nazi machine. Financial wizards can continue to juggle money

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from private into public accounts. But bookkeeping cannot supply the country with physical goods which are missing. The weak points in Germany's economic and financial situation are her import requirements and the means at her disposal to pay for them.

During the World War, the food shortage in the long run had a disastrous effect on public morale and army stamina. Today the situation is very different. In the present war, food is the dictator's least cause for headache. Ever since the country was put on a definite war footing in 1933 no efforts have been spared to prepare the food supply to meet the supreme emergency. The farmers of Germany, Austria, Czecho-Slovakia and western Poland will probably produce sufficient bread grain, potatoes, meat, milk and summer vegetables; and if additional feed grain should be needed, it presumably can be imported from the Balkans. Large stocks of bread grains in particular were accumulated before the war broke out. The only really important gap between supply and demand is in the domain of edible and industrial fats.

In recent years Germany has imported the equivalent of over a million tons of fats and oils. Several hundred thousand tons of oils were imported in the form of 2 million tons of oilseeds, which, along with the oil, carried twice as much feed protein. Half of the oilseed and oil came from Manchuria, and the rest from the Philippines, the Netherlands East Indies and Africa. These imports are now cut off by the blockade. Some 80,000 tons of whale oil were caught in the Antarctic by a newly-built whaling fleet. These ships are now tied up in German ports.

What is the food dictator's recipe for meeting the resulting shortage? It is as follows:

Coal byproducts have been developed as substitutes for soap. At the same time, soap consumption has been throttled down by rationing to a fraction of what it was in peacetime. The two measures together will save from 300,000 to 400,000 tons of fats and oils a year. Milk consumption has also been decreased by rationing, hence more milk is churned to butter. All edible fats will be rationed severely. To supplement the domestic output of butter, lard and bacon these commodities are purchased in Holland, Switzerland, the neutral countries around the Baltic, and in the Balkans. More potatoes will be planted in Poland; and Polish potatoes and grain surpluses will be used to fatten hogs.

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Contracts for growing rapeseed and soybeans for German account are being offered to Balkan farmers. Some modest imports of oilseed are expected from Russia. In sum, a thorough check-up on all the available sources of imports and on the prospects of domestic agriculture indicates that the deficit of a million tons of fats will be bridged over somehow, though with a very unpleasant shortage of soap and a somewhat less severe strain on supplies of edible fats.

The only remaining problem, that of supplying the German farmer with sufficient feed protein for the livestock herd, has already been solved to a considerable degree. Instead of feeding livestock with natural plant protein from oilseeds, bran or yeast, or with animal protein like fish meal, blood meal or meat scraps, they are fed a mixture of natural products and synthetic components of proteins, like urea and amino acids. These are derived from the air in the huge "Leuna Works," which also produce the bulk of the nitrogen for fertilizer and gunpowder. The cows, sheep, pigs and horses may not like this bill of fare; but in an emergency "the devil feasts on flies."

In comparison with the fairly satisfactory food situation, the shortage of industrial raw materials is very troubling to the German economic general staff. True, Germany's industrial capacity is one of her great war assets; but since only 65 percent of the necessary raw materials are produced domestically and in her occupied territories, her staying power depends on an ability to procure the balance by shifting purchases from blockaded areas to those which are still accessible.

The catalogue of raw materials which Germany must import includes: (1) ores and metals; (2) petroleum, gasoline and lubricants; (3) wood and wood pulp; (4) textile fibers; (5) rubber. In 1938 various countries which now are inaccessible supplied large portions of her total imports, as follows: *France:* iron ore, 23 percent; copper ore, 24 percent; phosphate ore, 30 percent; pig iron, 38 percent. *United States:* phosphates, 50 percent; sulphur, 31 percent. *Spain:* pyrites, 62 percent; pig iron, 12 percent. *British Empire:* copper, 35 percent; nickel, 48 percent; aluminum, 40 percent. *Bolivia:* tin ore, 97 percent. *British and Dutch Empires:* tin, 88 percent.

If peacetime consumption levels are to be maintained, all these purchases must be shifted to accessible continental states and Russia. The prospects are that by a great effort Germany can

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obtain most of what she needs of these ores and metals, except copper. Iron ore will be scarce, but by working poorer ores, increasing imports from Sweden, utilizing better the Austrian and Slovak ores, and leaning more on scrap many gaps may be filled. Domestic production provides 10 million tons and Swedish imports another 10 million. The remaining necessary 10 million may in part be scraped together from Belgium, Luxembourg and Norway, and in part supplanted by domestic scrap iron or by pig iron imported from neighboring countries. Copper will be largely replaced by aluminum, produced from Hungarian and Jugoslav bauxite. Furthermore, there are considerable war reserves of certain materials not required in large bulk, such as the nonferrous alloys. Some 750,000 tons of manganese ore may be imported from the Ukraine.

The situation in textile fibers, timber and rubber presents less of an emergency. Cotton and wool are no longer available from their former sources, but various artificial cellulose fibers replace much of the former imports. Recovery of every thread of existing wool, cotton, flax or hemp scrap will help a bit; so will various small imports. Meanwhile, all southeastern Europe has already begun to increase their flocks of sheep and their acreage of flax and hemp. Radical rationing of civilian consumption will close the gap. Since both *Ersatz* fibers and nitrocellulose gunpowder are made from wood, Germany's consumption of timber is bound to increase. But the conquered territories have large forest areas which can be over-cut, and the Baltic countries and Russia can supply the rest. There remains rubber. During the World War, too, Germany was cut off from rubber supplies; yet she fought for four years. This time her chemists have conquered rubber, as they earlier conquered indigo, nitrates, silk, cotton, flax, petroleum, coffee, quinine, and soap. According to the latest commercial news, synthetic rubber called "Buna," carrying German patents, is being produced from coal or petroleum and will soon be on the United States market. Germany formerly used about 120,000 tons of rubber and rubber equivalents per year, about two-thirds being imported. German Buna production probably now reaches about 60,000 tons a year. The deficit of some 60,000 tons must be met by purchases from the restricted supplies of adjacent neutrals, by a hurried expansion of domestic Buna production, and by rationing.

Next to the iron shortage the most crucial German problem is

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the shortage in petroleum, gasoline and lubricants. For the twelve months preceding the outbreak of war, Germany consumed in the neighborhood of 8 million tons of oil in its various forms, derivatives and substitutes. As the result of intensive research and tremendous efforts, domestic production of motor fuel from German oil wells, hydrogenated coal, cracked crude oil, compressed illuminating gas, liquid gas, benzol and spirits, supplemented by the use of wood as gasoline engine fuel, reached in all the equivalent of about 3½ million tons of oil. The other 4½ million tons were imported, close to 80 percent of it from North and South America. If we assume that Germany can keep her oil consumption at the 1938–39 level, she would have to obtain some 4 million tons on the Continent. If Rumania supplied 3 million tons, the Russian-occupied Polish wells might take care of the rest. This, however, is the shining face of the coin. Its reverse side (in case of active warfare) will be shown later.

In all surveys of this sort Soviet Russia is an enigma. But a careful check-up, item by item, shows that her own needs and transport difficulties will preclude her helping Germany on a large scale even if she wished. Collectivization abolished horses in Russia; she now is dependent on gasoline and can spare less for export. The transport problem involved was indicated by Professor Bruce Hopper in these pages recently.[3] During the peak year of German-Russian trade, 1931–32, Russia exported to Germany only 400 million Marks' worth of all sorts of goods. The minimum of what Germany needs today is at least ten times as great. The calculations in the present article therefore excluded Russia as a source of supply likely to weaken the blockade except to an insignificant extent.

We must complicate the calculation once again before we approach an answer to our great riddle. Everything said so far has been based on the assumption that Germany's total requirements of food, feed and raw materials can be kept within the limits of actual prewar consumption. This means that Germany will continue to watch the ramparts of the Siegfried Line, maintain the mine fields and the patrol of the North Sea, and sink as many vessels as possible in British waters by attack on, above, or below the surface. From the standpoint of economic strategy, this is the method of warfare best suited to the precarious German situation. Submarine and aërial attacks on merchant vessels and mine

[3] "How Much Can and Will Russia Aid Germany?" FOREIGN AFFAIRS, January 1940.

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sowing from airplanes do not cost much in raw materials. With the use of private automobiles reduced to 15 percent of the prewar traffic, and with practically all ocean shipping idle, enough gasoline will be saved to supply the air squadrons needed for this limited activity so long as the prewar rate of supply can be maintained.

But the whole situation changes if this war — the "second bore war," as one Englishman called it — becomes a really large-scale struggle on land and in the air. Competent German authorities estimate the total oil requirements in land operations comparable with those of 1917–18, and on a front only 600 miles in length, as between 12 and 20 million tons a year. By dint of supreme efforts at home and in buying abroad, as indicated above, it may be possible to secure the normal peacetime requirements of 8 million tons. To provide an additional 5 million tons per annum seems impossible. To find an additional 13 million tons is out of the question. Merely on the score of oil, then, Germany obviously is incapable of conducting full-scale land operations over an extended period.[4] Furthermore, great battles, requiring long artillery preparation and heavy barrages, would exhaust the coal, steel, iron, cannon and ammunition industries. Germany therefore must avoid them.

The question remains why England and France have avoided them so far also. The answer is partly that it is a slow business to get a democratic country with a more or less free economic system ready for war. Both nations are still girding themselves for war, and every day adds momentum to their efforts. The more time they have to build up a clear superiority, the more clearly is their victory assured. And yet, if the war is not to drag on for many years, a decision must be sought on the battlefield. The Allies may choose to hasten the shortage of certain raw materials in Germany by forcing her to engage in a dreaded two-front war by attacking her through the Balkans.

As we have seen, Germany theoretically can manœuvre through her troubles provided she can obtain certain imports from accessible countries. The practical question is how she can pay for purchases there. Here again it must be realized that a ruthless totalitarian régime can achieve what a less desperate

[4] On the other hand, it is possible that in a long period of sit-down warfare Germany might save sufficient oil and artillery ammunition to launch a short but terrific thrust at a certain weak spot in the enemy's lines or a dash through neutral countries. A Blitzkrieg lasting only a few weeks is the military strategist's only answer to important scarcities in supplies.

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form of government would rule out as impossible. The Nazis can pay for imports in various ways, mainly through stimulating their export industries. Increased purchases by Germany create more purchasing power for German goods. To be sure, the total volume of exports to nearby neutral countries, even if forced to the utmost, will still leave a wide gap of unpaid bills if German import needs are to be satisfied. But in addition to paying in goods, Germany has for emergency use a hoard of gold and foreign exchange which may amount to 600 or 700 million Marks. A more important asset consists of the German capital investments and properties abroad, which may be worth 5 to 6 billion Marks. Ships may be sold; art treasures also. Promissory notes will be offered. As a last resort, clearing accounts can simply be overdrawn. Faced with the threat, "Deliver, or else!" most Balkan countries will feel obliged to yield so long as the Allies are not able to provide adequate military support in the emergency that might follow a refusal. To sum up, it is improbable that Germany will face really crippling difficulties in buying raw materials for the next two years.

These shifts mean the transfer of much of the task of transport from ocean shipping lanes and ports to the German railroads. In the single year between Munich and the invasion of Poland, the Reichsbahn expanded its lines from 34,000 miles to 45,000 miles — more than the French and British mileage combined. The Polish railway stations, depots and bridges, and a good part of the tracks, were systematically demolished by the invading German armies, and had to be rebuilt. In Germany proper, the railways have been overstrained for years by party rallies, army transport, the high-speed construction of the Westwall, and the reshuffling of industries under the Four-Year Plan. If, contrary to expectations, Russia should really attempt to ship large amounts of oil, grain, oilseed, lumber or ore into Germany, this will add to the task of the German railroads. And the difference in gauge requires the reloading of every freight car where the two systems connect. The railways may well prove the point of least resistance in the whole German economic system.

Along with this crucial weakness another factor not in itself economic deserves attention. As the World War showed, economic distress does not lead to the sudden collapse of a great industrial nation. There merely is a gradual accumulation of minor frictions and sufferings. When and where they will begin to

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undermine the foundations first is hard to foresee. What is sure is that the ceaseless strain finally weakens the resistance of the toughest people. From 1933 to 1939, Hitler and his henchmen whipped Germany into a state of super-preparedness for war. For seven years the whole nation has lived in a state of mobilization, pepped up with the tonic of propaganda and honors, judiciously interspersed with doses of terror. Which is to say that the Nazis have been wearing out men as well as machines.

The majority of the responsible and sane Germans who toil to exhaustion to keep the wheels of the Third Reich going must consider and reconsider, waking and in their nightmares, the question how Germany can avoid fearful disaster at the end of, at the most, two years. They see their country in a trap. If Germany decides to outlast the Allies in a sit-down war of nerves, the final economic collapse can be postponed and the men in the army will, for the time being, be spared. But then the war will be lost nevertheless. In the third or fourth year the British and French empires will be able to crush the Nazis by superior military power. If the Nazis decide to try a Blitzkrieg thrust against England through Holland, or against France through Holland and Belgium or Switzerland, or directly through the Maginot Line, or drive in desperation into the Balkans, they will find themselves strangled before long in the network of their economic artificialities. A major offensive lasting several months can only end in stoppages, breakdowns and collapse.

In conclusion, then, it seems a fair guess that, viewed solely from the economic angle, Nazi Germany is relatively blockade-proof up to two years, or a bit longer, provided her strategy continues to be that of a defensive war conducted by her relatively small navy and by airforce attacks upon England's lines of supply. It also seems that this situation will play eventually into the hands of the Allies. They can wait until Germany's internal deterioration, of which the first signals already show in the railroad system, forces her either into revolution or to make peace on the Allied terms. However, unforeseeable shifts in alignment may impel the Allies to decide the war earlier by breaking German resistance through the use of overwhelming military superiority. After all, it was Waterloo and not Trafalgar that delivered Europe from Napoleon.

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FRENCH ECONOMY ON A WAR FOOTING

By André Philip

AFTER an interval of precarious peace France is again at war. Again she is fighting not only for her existence, threatened by German imperialism, but for principles of liberty and individual human dignity without which the French people do not think life worth living. At first glance her situation seems difficult. She has had to start a new war when not yet finished binding up the wounds of the old. She had just emerged from the depression of 1931–36, which left a heavy burden of public debt. Her currency had lost four-fifths of its value as a result of the World War and half of the remaining one-fifth in the depression. Yet there are grounds for believing that she can organize her economy to weather the storm even if it lasts a long time.

In spite of the heritage of the World War and the depression, France enters this conflict in more favorable circumstances than prevailed in 1914. Then, too, war caught us in the midst of financial difficulties. For several years social legislation and rearmament had drastically increased expenses. Receipts had not kept pace, because France still had an antiquated flat-rate tax system. The fiscal reforms first proposed in 1907 had evoked violent political controversy; and it was not until the end of July 1914 that Parliament adopted the principle of the income tax.

This time the possibility of war was anticipated and our effort to prepare for it began as early as a year ago. First of all the budget was put in order. Administrative reorganization reduced certain civilian expenses; appropriations for public works were cut; and new taxes were established that would produce an added 15 billion francs per year. The new taxes included a sales tax of 1 percent, the proceeds earmarked for armaments; and the special levy on earned income was raised to 5 percent. Unfortunately, these are not very democratic taxes, but they will bring in a good yield in a period of rising prices and increased money incomes. The floating debt carried over from the last war was reduced by two-thirds, thanks to the foresighted sinking-fund administration, thus permitting the Government to issue short-term bonds for as long a period as two or three years. (As a result, the Government had no trouble this September in floating new short-term war bonds to finance mobilization.) Industry was emerging from the

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depression: the index of production rose from a mean of 83 in 1938 to 100 in June 1939 (taking 1928 as a basis), while at the same time unemployment fell from 416,000 in January 1939 to 320,000 in July. Exports rose 20 percent and in value surpassed all military purchases. Some 26 billion francs of capital which had fled abroad returned, increasing our gold reserves by a third.

Because of these favorable factors, there was relatively little dislocation during the first weeks of September 1939. This was in sharp contrast to the 1914 situation, when a run on the banks forced the Government to proclaim a general moratorium, the Bourse remained closed for several months, and the heavy selling of late July had to be regulated. This time no moratorium was necessary, thanks to intelligent coöperation between the Bank of France and the Government. From August 25 to September 15, the Bank, by discounts and advances, supplied the money market with 16 billion francs and increased the bank note circulation by 23 billions. Thus the men who were mobilized and the families who had to evacuate combat areas were able to go to commercial and savings banks and get the actual cash needed to settle their affairs. End of the month selling on the Bourse was normal; and ever since the outbreak of war commodity prices have held their own, *rentes* have even advanced, and so have the average prices of stocks. Shortly after mobilization had been completed, savings began to be redeposited in the banks, most loans were repaid, and banknote circulation became stabilized.

As a result of the planning and preparation which preceded the outbreak of war it has been possible to put governmental income and outgo on a more intelligent basis than was the case in 1914. At that time Parliament voted so-called confidence credits each month, and not until 1917 were any serious estimates made of military or even of civil expenses. This time, in contrast, France has had a regular budget of 80 billion francs since the beginning of 1940. It includes all items other than those pertaining to the military conduct of the war; it provides not only for ordinary civilian expenses but for what remains of the public works program, 14 billions of relief for families containing a bread-winner at the front, and 6 billions earmarked for interest on whatever loans are contracted during the first months of the war. In addition to the regular budget, there is a military budget of 55 billion francs for each quarter, or 220 billion francs a year. Thus the regular and military budgets for 1940 total 300 billion francs.

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What of receipts? In 1914 it was impossible to make any estimate. The richest part of France was occupied by the enemy, and there was no tax system in existence that could be immediately used. We were literally in the process of creating a new tax system, and the income tax, though approved in 1914, was not actually levied until 1917. In 1940 receipts from taxation will cover 26 percent of the total costs of the first year of war. They include a continuation of the 5 percent levy on all earned income, which becomes 15 percent for men of mobilization age but not actually mobilized; a tax on war profits, ranging from 25 percent when the profits are less than 2 percent of business turnover to 100 percent when profits exceed 8 percent; and a tax of 40 percent on overtime wages paid to labor.

But no matter how great the loyalty and willingness of the French people, the receipts from taxation cannot cover even half of total expenditure. Assuming we wish to avoid borrowing from the Bank of France, which is nothing but disguised inflation, we shall have to borrow from the public — first on a short-term and later on a long-term basis. There are great possibilities in this alternative, always assuming, of course, that the monetary circuit remains closed and the quantity of money constant. It is fundamental that extra wealth created by the state as a result of war expenditures shall return to the state either in the form of taxes or as loans. It must not be allowed to take flight abroad or to swell the demand for consumers' goods and so raise prices. In other words, the success of our financial policy is closely linked with our domestic and foreign economic policies. Let us now examine these.

The only way of avoiding inflation is to maintain an equilibrium between the production of certain kinds of consumers' goods and the demand for these goods. Our first task, then, is to combat the forces which tend to curtail production. One such force is the existence of 5 million mobilized men. The number, at present at any rate, is excessive. Originally we thought we would have to fight on three fronts, but maintenance of neutrality by Italy and Spain plus the narrowness of the actual German front have meant that the majority of soldiers under arms are without occupation. Already we have taken measures of partial demobilization: many workers have gradually filtered back to factories working for national defense; farmers will be given 40 days' leave for essential tasks like the planting of crops; and fathers of four or five children have already returned to their homes. This partial

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demobilization — necessarily determined by front-line conditions — will greatly help us to increase total national production.

The evacuations have also created problems. Evacuation in the Paris area, which was voluntary, has had no great effect on national production, for most of those who quit the capital were elderly people and children. Most women returned to Paris after seeing their relatives and dependents safely installed in the provinces; indeed, of the 600,000 adults who left Paris in September, more than half have returned. But we are also confronted with the problem of some 700,000 inhabitants of the eastern departments who were obliged to leave their homes precipitously to make way for the troops. Most of them are now in the south, and from the first their condition has caused the authorities much anxiety. They had to be housed; and although for many years people have complained about the exodus of population from rural to urban areas, the necessary facilities did not exist. For several weeks numbers of families had to live in barns; later makeshift houses were thrown up and barracks constructed. Relief had to be given to families without resources of their own. Extra schoolteachers had to be recruited. This was not easy, for schoolmasters have always made up a large proportion of the reserve officers in the French army and in September three-fifths of the masters joined the colors. The problem was finally solved by increasing the number of women teachers and calling back many from retirement. Employment bureaus were also set up and began an occupational census of the evacuées. As a result a good proportion of the people uprooted have gradually found work — some in armament factories in the south, others as farm laborers. A few of the latter have obtained loans from agricultural banks and have established themselves on vacant lands as independent farmers.

We also have quite a different problem which nevertheless is of equal importance. Nearly 80 percent of the French army is recruited from the peasantry. With farmers away from the land, what about next year's crops? Everywhere women and children have undertaken the men's work, but they cannot be expected to maintain the usual level of agricultural production alone. In regions where the army is quartered, and particularly in the evacuated departments, soldiers have been assisting the farmers. But already we have had to consider the possibility of importing labor from the colonies or from abroad.

But our greatest effort must be concentrated on industry. Here

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it is a question of trying to maintain a normal volume of consumers' goods while simultaneously expanding armament production to the utmost. We have already seen that soldiers with particular skills have gradually been demobilized and are now at work in armament factories. The trade schools which originally were created for the unemployed have multiplied and are being used to train unskilled workers — particularly women — in the crafts demanded by the munitions factories. Concurrently the hours of work per week have been extended. The principle of the 40-hour week has been kept for factories but increased to 44 hours for stores and offices. In actual fact, many employees are working 60 hours a week; this very likely is excessive and cannot be maintained indefinitely. We have seen that on all overtime wages the government levies a special tax of 40 percent. This is one way of curtailing the increased purchasing power of many families and checking the growing demand for consumers' goods which, if allowed to work itself out, would result in an increase in prices. This special tax has been accepted in good grace by French workmen. They realize that with the peasants at the front it is up to them to make a special sacrifice in recognition of the fact that they work in comparative security.

All these measures are designed to increase armament production and still maintain, so far as possible, a normal volume of agricultural and industrial commodities. It is doubtful, however, if this can be done. War orders are bound to result in greater nominal wages, and these in turn will cause an increased demand for consumers' goods and, inevitably, a rise in prices. In addition to stimulating production, then, we must systematically and progressively decrease consumption. At first we worked toward this end only indirectly through increased taxation. Now we have laws forbidding the sale of meat three days a week, closing pastry shops on certain days, reducing allowances for gasoline and alcohol, limiting the size of orders served in restaurants, and in other ways decreasing consumption and avoiding waste. Actually, rationing at present is not necessary in order to conserve supplies; there are no shortages in France. However, we should not delay in regulating consumption even further, not to avoid shortages but to stabilize prices.

We reach France's most important economic problem in considering her relations with other countries. The war inevitably means greater imports of finished manufactures — such as air-

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planes and machine-tools — as well as of certain basic raw materials. It is, therefore, reasonable to expect that the unfavorable balance of trade will again increase, just as it did from 1914 to 1918. Our ability to import gives us a decisive superiority over Germany; for to import in time of war means that others are working for us. We have ample reserves to cover these trade deficits. The flight of French capital abroad, which in recent years caused so many difficulties, has become a favorable factor. We have seen that in the months preceding September about 26 billion francs were repatriated. Since September, and despite the imposition of exchange control in France, repatriation has quickened; and during the last thirteen months 60 billion francs have returned to Paris. Despite our purchases and heavy payments abroad since the outbreak of war, our monetary reserves have actually increased. French investments abroad are no less important. Together, France and Britain have resources abroad totaling 7.5 billion dollars — gold on deposit in foreign banks, direct investments and marketable securities.

We must, however, think of our gold and foreign securities as reserves, to be used accordingly. Given a long war — and everything supports the belief it will be that — these reserves should be kept intact in the early phases so they will be available for the final effort. Moreover, marketable securities can be liquidated only gradually if one wishes to avoid a sharp break of prices. Gold itself — despite the size of our reserves and the fact that each year Britain receives new gold from South Africa — should not be used indiscriminately. Otherwise at the end of the war one country will have all the gold and the world will have a serious monetary problem.

To reiterate, our gold and foreign securities should be treated as reserves. We should pay for imports in the normal way, that is, by exports. In this war, the export industries should be thought of as being fully as important as armament industries. Instead of transferring a Parisian seamstress from dressmaking to an airplane factory, where her productivity will be reduced, she should remain at her regular occupation. We should encourage the manufacture of dresses for export and sell them in the United States in exchange for airplanes. Today Schiaparelli as well as Creuzot can aid in national defense. With large exports we shall be able to supplant Germany in the trade of neutral countries and reduce her power of action. Lastly, the existence of an export trade will

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mitigate the post-war depression. For the export industries will continue to be active when the munition factories have closed their doors.

Although Frenchmen are agreed in recognizing the basic rôle played in their economy by the export industries, it must be frankly admitted that so far the Government has hardly begun applying the policy outlined above. As a matter of fact, one of the first consequences of the outbreak of war was a sharp decline in French exports. The export industries, like many others, were disorganized by the mobilization of men for the army; the cessation of overseas telephone communications, the delay in cables and slow and infrequent mails made foreign business transactions difficult. Submarine warfare simultaneously increased freight rates and the convoy system made great delays in transit.

The French merchant marine has so far suffered very little from submarine warfare; the amount of tonnage lost is really negligible. More important have been the high freight rates and the transfer of a considerable number of ships from the merchant to the military marine. No wonder activity in most French ports during September and October was only half the normal. But here, too, reorganization is bringing improvement. Construction of new tonnage is proceeding at an accelerated tempo; a number of ships taken over by the navy have been restored to commercial uses; and we have engaged a considerable amount of neutral shipping, including a number of Italian bottoms now in use in the Mediterranean trade. Moreover, all available merchant ships, though remaining the property of their owners, have been commandeered by the state for the duration of the war. The state organizes them into convoys and assigns cargo with due regard for the export-import program.

Our commercial policy — and by "our" I mean the British as well as the French — is an organic whole and functions in accordance with certain general principles. It has nothing to do with sentiment, but is based on sheer expediency and necessity.

(1) To keep down our unfavorable trade balance we control imports strictly.

(2) We have a definite order of preference for our imports, depending on the country of origin. (a) As a result of the Anglo-French pooling agreement, first preference is given to goods that can be purchased in the two Empires. (b) Second preference is given to products from the neutral countries of Europe. In buying

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these we achieve a double objective: we strengthen their general economic position and reduce their dependence on Germany. (c) Next in order of preference are countries (*e.g.* some in South America) which are in default on debts to the Allies, and which by increased sales to France and Britain will be able to resume their interest payments; and countries which are in a position to extend credits to us, thereby permitting us, momentarily at least, to keep our reserves intact. (d) Last in order of preference are countries which at one and the same time demand cash on the barrelhead and refuse to accept any increase in imports from us. From these we shall buy only raw materials and manufactured products which we cannot get elsewhere. (Incidentally, it is inevitable that our increased purchases of American airplanes and machinery, coupled with a decline in our purchases of agricultural products due to our lack of cash, will add to the growing disparity between agricultural and industrial prices in the United States.)

(3) Exports will likewise be consciously regulated. They will be sent to those countries where they can compete directly with German exports and thus reduce Germany's chances of getting foreign exchange. Next in order of preference are the countries to which we shall sell because we wish to buy in return. On all fronts a herculean effort is being made to increase French exports. Special credit facilities have been extended to the export industries. They alone have escaped price control and the heavy war profits tax which consumes nearly all the profits of other businesses. We hope that not only will our export losses of the early months of the war be quickly wiped out, but, with French prices actually lower than world gold prices, French exports will soar.

Two great and harmonious policies thus are at work in France. There is an important productive effort; this, in conjunction with heavy taxation and stiff rationing will keep a balance between supply and demand of certain kinds of consumers' goods, thereby enabling us to avoid inflation or at least limit or delay it. Secondly, there is a policy of stringently regulating imports and encouraging exports; this will enable us to postpone the day when our foreign exchange reserves will be depleted.

We still cannot foresee what will be the chief economic and financial difficulties of the post-war period. But even now we can see that a wise policy of mobilizing our industrial and commercial potentialities will enable us to wage the war for a number of years and to hold out until the final military victory.

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HOW BRITAIN WILL FINANCE THE WAR

By Lionel Robbins

WHEN Hitler marched into Poland, he informed his subjects that since he came to power he had spent no less than 90 billion marks on war preparations. Even if we discount the elation with which he must have contemplated that historic moment, and reduce the estimate to 70 or 75 billions (the figure given by the best foreign experts), the total is still very formidable.[1] The probable expenditure on rearmament in Germany during 1938 was perhaps equal to six billion dollars, while that of Great Britain and France combined, in the same year, amounted to not more than three billions; and before that it was very much less. Since the war began, German expenditure has mounted even higher; any estimate under eight billion dollars would probably be on the low side. These figures give some idea of the amount of leeway which the Allies are having to make up and the magnitude of the burden which they will have to shoulder in the future. The object of this article is to try to show very broadly the nature of the British problem and the resources available for meeting it.

I

To do this it is perhaps desirable to go back a little and depict the situation as we know it to have been in the financial year 1938–39.

In that year, according to estimates based on the computations of Mr. Colin Clark, the gross national income was of the order of £5,700 millions.[2] This total includes depreciation, wast-

[1] Author's Note: The various estimates in this article must be regarded as illustrations of orders of magnitude rather than exact statistical computations. The statistics of such things as national income accumulation in Great Britain are unfortunately extraordinarily inadequate, and any estimate is subject to a very large margin of error. Where my estimates differ from those of other economists they must not be thought to rest upon esoteric sources of information or special computations, but rather upon attempts to strike a suitable mean between divergent estimates according to a purely qualitative judgment of the likelihood of an optimistic or a pessimistic inclination on the part of their original authors. The leading sources of information which I have used are to be found in articles in the *Economic Journal* by Mr. Keynes and sundry articles and tables in *The Economist*. I should also express indebtedness to various conversations with Mr. Thomas Balogh, whose important studies on the war potential of Germany have done much to clarify our knowledge of this very difficult subject.

[2] At the time this article goes to press, the pound is quoted in New York at around $3.95.

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age and transfer incomes such as pensions interest on the national debt and unemployment benefit, and is therefore considerably larger than the net value produced during the period. But for discussions of taxable capacity it is probably the best figure to keep in mind.

During roughly the same period government expenditure, central and local, was in the neighborhood of £1,300 millions, that is to say between a quarter and a fifth of the estimate by Mr. Clark. As his estimates are considered by many to err considerably on the generous side, it is perhaps not unreasonable to regard the proportion as being nearer a quarter than a fifth; and, as the taxable income includes so many elements which do not correspond to the net production of value, the real burden of expenditure viewed as a proportion must be regarded as heavier still.

For our purposes, it is the expenditure of the central government which is most significant. In the financial year 1938–39, this expenditure amounted in round figures to £1,000 millions. Of this total about £230 millions went for interest on the national debt and similar payments; about £425 millions for "civil" votes, *i.e.* non-military government expenditure such as centrally financed social services, subsidies and routine expenditures; and £400 millions on defense.

To meet this expenditure, some £128 millions were borrowed. The bulk of the remainder, about £890 millions, was met by taxes. Direct taxes (income tax, surtax, estate duties and national defense contribution) contributed some £500 millions. The rest came from customs and excise duties, stamp duties and motor vehicle taxation.

II

With the approach of war in 1939, central government expenditures mounted. The latest estimate before war actually broke out was for an expenditure of £1,453 millions in 1939–40, of which about £750 millions were for defense purposes. To meet this increase an extension of borrowing was planned — something of the order of magnitude of £500 millions.

When war actually broke out, however, these figures had once more to be revised. Total budgeted expenditures rose to £1,933 millions, of which defense took about £1,250 millions, thus tripling the 1938 figure. Taxation was vigorously increased: the standard rate of income tax, for example, was raised 5/6 to 7/– in

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the pound for the current year and 7/6 for the next. But owing to the outbreak of war the net increase in revenue immediately expected was small. More than £900 millions remained to be met from reserves or from borrowing.

Since the outbreak of war the rate of spending has increased still further. According to the Chancellor of the Exchequer, we are now spending between £6 and £7 millions per day — in a full year something like £2,500 millions. This figure is likely to grow. A conservative estimate for a full financial year would be £2,750 millions, with defense absorbing at least £2,000 millions. There are many who would be disposed to argue that something of the order of £3,000 millions, or more than half the national income of 1938, would be a more reliable estimate.

The main problem of British war finance is how this money shall be raised.

III

Before dealing with this, however, there is another matter subsidiary to the main problem, but nevertheless of critical importance, about which a word must be said — the problem of external payments. It is true that the internal financial problem is on a larger scale; but the problem of financing necessary imports is in some ways a matter of greater anxiety.

In 1938 the total of retained imports into the United Kingdom was £858 millions. Exports during the same period were £470 millions. The excess of imports over exports was therefore some £387 millions. This deficiency in the commodity balance was made good by various "invisible" items, such as income from foreign investments and shipping, banking and insurance services. In very round figures, income from investments may be put at £200 millions, shipping at £100 millions, and other services at £30 to £40 millions. In this way, and by movements into Britain of gold and foreign balances, the balance of international indebtedness was made good.

The figures of a year of peace and depression are naturally liable to considerable change. They do, however, illustrate the nature of the problem with which we are now confronted. On the one hand, the items on which we rely for financing the excess of imports are liable to shrink. Shipping earnings in particular may be reduced very considerably by the difficulties of war, and if foreign assets are sold in order to finance extraordinary pur-

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chases, the income from that source must shrink too. On the other hand, due to the expansion of employment and the necessity for making extraordinary purchases of war material abroad, there will be a tendency for imports to rise. The excess of imports over exports may therefore tend to increase.

Now fortunately in this respect the Government of the United Kingdom has very considerable reserves of strength. British investments abroad are extensive. The gold reserve, too, is very great. For reasons which should be obvious, I will not attempt to give any exact figures for these different resources here; but it would probably not be an overestimate to put the reserves of gold plus fairly easily realizable foreign assets at round £1,200 millions. We are thus very adequately equipped to meet any immediate emergency. A deficit of £350 millions in the foreign balance could be financed from reserves for at least three years and probably for more.

Nevertheless, our position cannot be regarded as free from anxiety. It would be a very serious thing for Britain to draw on foreign assets, because that would mean that at the end of the war substantial inroads would have been made into her sources of income from abroad. For, although the pressure may not be felt while they are being spent, yet when they have been spent, not only is that important reserve gone but the income from it is gone also. The resultant postwar readjustments to the new conditions of supply and demand for sterling would necessitate changes in internal incomes and costs which, coming after the strain of war, might involve the gravest embarrassments.

For this reason, therefore, we may expect that the greatest efforts will be made to prevent the gap between imports and exports from leading to this kind of loss. On one hand, the most determined attempts will be made to increase the volume of exports, even if for the time being they involve some form of government subsidy. On the other hand, imports of goods other than essential war materials will be cut down, partly by rationing consumers and by taxing (or borrowing) their surplus incomes, and partly by direct restriction of shipping space. Also attempts will probably be made, in conjunction with our Allies, to divert purchases of imports other than war materials from areas with independent currencies to areas having more intimate monetary relations with the pound or the franc. Such diversions will be regretted by all who, like myself, believe that in the long run the

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maximum freedom of commerce is in the interests of all parties. But in an emergency in which the reserves of free foreign exchange are likely to be limited by our gains from trade and our limited stock of foreign assets, it is not easy to see how they can be avoided.

IV

We may now return to our main problem of how the receipts of the central government are to be enlarged so as to permit the expenditure of at least £2,000 millions for military purposes.

The yield, for the present year, of the new rates of taxation imposed by the war budget is anticipated to be somewhere around £1,000 millions, leaving about £900 millions to be met in other ways. In a full year, perhaps another £250 millions would be forthcoming. This still leaves, however, a gap of £1,500 millions if we accept the conservative estimate of a total expenditure of £2,750, or of £1,750 millions if we accept the more probable figure of an expenditure of £3,000 millions. These are formidable figures, but I do not think that anyone who has studied the facts would be likely to call them seriously in question.

How shall we meet these stupendous obligations?

Let us look first at the most obvious reserves. An exact estimate of the yearly savings of the national community is not easy to make, but we would probably not be far wrong in assuming that at least £400 millions per annum has in recent years been made available for expanding equipment and stocks. While it would be a mistake to think that all of this can be safely diverted to war purposes, clearly a large proportion could easily be canalized in this direction. Let us assume that £350 millions could be so diverted.

In addition to the sums laid aside for increasing equipment, there are also sums which go to provide for wastage and depreciation. For the years immediately preceding the outbreak of war, these might be put at perhaps £400 millions. Obviously funds of this sort cannot be diverted so easily from their normal destination, for it is important that the capital equipment of the community should not be allowed to become seriously obsolete or worn out. Some, however, could be spared — perhaps £200 millions.

Finally, under the general heading of capital reserves we may take account of our holdings of gold. As we have seen already, the

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utmost prudence in the use of such reserves is desirable. Nevertheless, we may expect that even under the most conservative policy they will be drawn on to some extent — let us assume the low figure of £150 millions. Thus from existing flows of savings and capital reserves we may hope for a sum of some £700 millions. But this is not yet half of the figure that we want if the gap between receipts and expenditure is to be bridged without inflation.

So far, we have taken no account of an expansion of production; yet some increase in total production is to be expected. This may come about in two ways: by the absorption of unemployed and female labor, and by longer working hours.

Not too much can be expected from net increases in the labor force, since the figures of the unemployed exaggerate considerably the margin which can be absorbed. Perhaps 600,000 or 700,000 of the existing total can be reëmployed. In addition to this, very considerable numbers of women are expected to be drawn into employment. But against this must be set the effects of the withdrawal from industry of the men serving with the fighting forces. If the British Army is raised to anything like the size anticipated, the greatest possible absorption of women and unemployed will be needed to make good the loss.

Much more significant, in my judgment, are the possibilities of overtime. If the existing labor forces were to work on an average one hour more per day, production could be increased by at least ten percent. Such an increase is not at all out of the question. There is indeed reason to suppose that it will actually take place. At 1938 prices this would raise the national income to well over £6,000 millions, perhaps even to £6,500 millions, though this is on the optimistic side.

The problem, however, is not solved by such an increase. The rise in incomes may indirectly swell the proceeds of taxation at existing rates; it may even expand the volume of voluntary savings and hence the volume of lending to the Government. But the maximum increase in government receipts which may come about in this manner must fall far short of the amount which is necessary if the Government is to meet its expenditures. The fact that production increases, makes the ultimate restriction of consumption less than otherwise would be necessary. But it does not obviate the necessity for some further restriction of consumption; and it does not solve the immediate financial problem.

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V

That problem, as we have seen, is to raise anywhere from £750 to £1,000 millions in addition to what may be expected from the yield of existing taxes and the diversion of gross "normal" savings to government uses. In principle there are three main ways in which this may be done. The Government can create the necessary purchasing power by bank loans or by printing paper money — that is to say, it can inflate. It can also borrow more from the public. Or it can increase taxation. Which of these ways will it follow?

Now there will almost certainly be *some* creation of money. Given the present technical situation, it is almost certain that sooner or later forces will come into operation which will tend to raise prices through "monetary" influences. This will itself have some beneficial effects on the revenue unless costs rise as fast as prices. Profits will be raised and the yield of the excess profits duty increased. But the indirect effects of inflation are so harmful that it is safe to assume that every effort will be made to reduce this sort of thing to the smallest possible proportions. Any inflationary rise of prices would not be allowed to go very far before there was immense public outcry.

The main problem therefore is how to raise the money without inflation — that is, how to induce the public to surrender enough purchasing power to the Government to obviate the necessity for creating any more.

At first sight all the arguments would seem to point to increased taxation. This is certainly the cleanest and most logical method for meeting a problem of this sort: it leaves behind it no burden of debt; it is capable of being adjusted to the taxpayer's ability to pay. If the citizens have decided to make war and to shoulder the burdens which war involves — and there is no doubt that we have never fought a war on which the opinions of the main body of the people were so unanimous — then surely they should prefer that it be financed by an appropriate increase in taxes.

Unfortunately, things are not quite as simple as that, for raising the necessary money by taxation involves increases at points in the income scale which for traditional reasons are notoriously difficult. The amount which can be squeezed out of the higher incomes by steeper rates is capable of enormous exaggeration.

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The Economist has calculated that if all that is left of the incomes over £2,000 a year after paying existing taxation were to be absorbed by further increases, it is doubtful whether it would bring in more than an additional £60 millions. Whether this is exactly correct or not, it may be confidently stated that the bulk of the increase of revenue which is needed must come from incomes below £2,000 — from the middle classes and the wage earners. But, though some additional revenue may be obtained by increasing the rates on the middle classes, it is quite clear that not nearly enough can be raised from these sources. For, as Mr. Keynes and others have shown, nearly two thirds of the total national consumption is by persons who earn less than £250 a year.

Here we reach the real crux of the problem of war finance. The British income tax does not touch the main body of wage earners, who are affected only by indirect taxes. Now an income tax on wages would be very unpopular; and a turnover (sales) tax touching the consumption of the working classes would be sharply regressive. There can be no doubt that to attempt to raise the whole of the extra revenue by taxation would encounter severe difficulties.

What, then, are the possibilities of increasing saving?

These are probably more extensive than is sometimes thought. A patriotic drive for subscriptions to a War Loan is capable of evoking considerable volumes of extraordinary savings. But it is highly improbable that by itself it would suffice, for, as we have seen, a large part of the reduction in consumption must come from the working classes; and it is difficult to believe that subscriptions from such quarters to war savings certificates and the like would be enough.

To meet this difficulty, Mr. Keynes has made a most ingenious proposal.[8] He has suggested that the necessary reduction in consumption should be effected by the deduction from all incomes above a very low minimum of a levy graduated according to income and family circumstances and which should be credited to the payer as a loan to the Government. It would resemble a tax in that it was compulsory, a loan in that it was repayable. Mr. Keynes estimates that at least £400 millions would be forthcoming, if the scale of graduation were used which he has

[8] *The Times*, November 14, 15 and 28, 1939; summarized in *The Economic Journal*, December 1939, p. 635-38.

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assumed by way of illustration. This expedient, together with further increases in other taxes and a small turnover tax on non-essentials would, he suggests, cover the extra war expenditure.

Mr. Keynes' proposal does not, however, exhaust the possibilities of increasing the volume of lending. A similar result might be attained by a system of rationing so extensive as to leave the citizens little else upon which to spend their surplus cash except government securities. Such a system has of course been applied in its most drastic form in Germany; and it is not improbable that a milder variant may be employed in Great Britain. Even the blackout, which curtails so extensively the opportunities for spending on amusements, has probably had something of this effect already. It is not at all difficult to conceive of an extension of rationing and of shop and amusement regulations which would carry the process much further. *The Economist* has gone so far as to suggest that perhaps an additional £750 millions might be added to voluntary savings in this way. If so, it would almost bridge the gap by itself. But that estimate probably errs considerably on the optimistic side.

VI

Which of these methods will be adopted?

Most economists in Great Britain would probably favor some form of Mr. Keynes' alternative. A system of compulsory savings has many of the advantages of taxation. Yet at the same time, it allows greater elasticity in exceptional cases (under Mr. Keynes' plan the savings could be converted into cash in special cases of hardship), and it offers to the citizen the promise that if he cannot realize the fruits of his increased efforts now, he may hope to do so later on.

But it is perhaps doubtful whether any solution quite so clear cut and logical is likely to be adopted in the near future. If Mr. Keynes had from the outset employed the more euphemistic description "deferred pay" which he substituted as an afterthought for the original "compulsory savings," its reception might possibly have been better. As it now stands, his scheme suffers both from novelty and subtlety, and this may prevent it from being adopted in its entirety.

Much more probable, in my opinion, is the adoption of a greater variety of expedients. As I see it, there is likely to be some rise of prices. There will also be some slight easement through

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inflation. But it is unlikely that this will be allowed to go very far: too many people have heard already of what they love to call "vicious spirals." By the time the cost of living has risen appreciably, the public will be prepared for the more stringent measures which are necessary to arrest it. And these measures I imagine are likely to involve a mixture of principles. There will be a further stiffening of income tax, surtax and excess profits duty. There will probably be some kind of turnover tax, arranged however to exempt certain necessities. There will be a considerable extension of rationing, and much high pressure borrowing from small investors. And in the end there may be either some extension of the income tax into the lower income brackets or some form of Mr. Keynes' forced levies.

In what proportions these suggestions are likely to be followed I do not know. But of one thing I am reasonably certain: the problem is not of unmanageable dimensions. Whether we put the gap at £750 or £1,000 millions or even more, I have no fear that it cannot be bridged. Wars are not lost because of internal financial difficulties, provided that the necessary resources are available to finance essential purchases from overseas. They are lost for lack of man power or materials or for lack of will to see them through. There is not much reason to suppose that we shall lack man power or materials, and I do not think that we shall lack the will to go on. Given that, the internal financial problem is not likely to prove an overwhelming obstacle. The will to win includes the will to take whatever financial measures are necessary.

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THE MIDDLE WEST LOOKS ABROAD

By W. W. Waymack

WHAT is the Middle West? Does it look abroad at all? What, if anything, differentiates its attitudes from those of other regions? Are there any perceptible trends in its attitudes? If so, are the forces that bring them into being deep or shallow? Are they therefore likely to continue and can we look for permanence in the trend?

We generally mean by Middle West the whole great region which begins with the Pennsylvania border and, extending westward, includes all the area north of the Ohio to the Mississippi, at least the northern half of Missouri, all of Kansas and Nebraska, and follows more or less the western boundary of the Dakotas to the Canadian border. It includes about 38,000,000 people, roughly 30 percent of our population. It includes great metropolitan concentrations — more of them than any other region except the Northeast. It includes much of the nation's agricultural land and most of the best of it. It is regarded as basically an agricultural region.

Actually it is a region of balance between country and city. It contains great mineral resources — most of the country's iron, for instance. In it appear all the divergent outlooks that characterize diverse city industries. Even on the agricultural side there is no simple pattern, nothing comparable, for instance, to the cotton zones of the South. True, the great central part of the region, from Ohio to mid-Nebraska, from southern Minnesota to southern Missouri and the lower tip of Illinois, significantly comprises the Triple-A's "commercial corn belt." But there are differences even here. So huge is this region, so complex its economic bases, that to generalize about its attitudes is difficult indeed.

In this region as well as on the Pacific Coast, about which Chester Rowell has reported,[1] concepts of economic interest are probably the chief long-run determinants of major attitudes. But these concepts swirl. Some of them seem to change.

Apart from the economic, there are factors of history (which means habit), of racial composition, of cultural particularities flowing out of people's experience. The whole region is "new"

[1] "The Pacific Coast Looks Abroad," by Chester H. Rowell, FOREIGN AFFAIRS, January 1940.

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relative to the East. The farther west in the region one looks, the closer appears the "frontier." In Iowa there are octogenarians who remember Indian fighting. The equalitarianism and individualism of the frontier are not yet dissipated.

Settlement of the Middle West began from the Northeast and the Old South. The Puritan and the Cavalier both contributed, but the Puritan most. From abroad came the "early immigration," almost exclusively from North Europe. German and Scandinavian hosts came in, chiefly to settle upon the land. Also Bohemians and Dutch. Between a quarter and a third of Iowa's population is foreign born or composed of first-generation descendants of at least one foreign-born parent. There is also, in many districts, a "later immigration." Poles and South Europeans are heavily spotted through the eastern half of the region. The "later immigration" went largely to the cities.

But, broadly speaking, the melting pot has melted in the Middle West better than elsewhere. Even in the midst of a war abroad there is no conspicuous general "hyphenism" in the region as a whole. In the western half, if not also the eastern, relatively recent foreign ancestry has tended to become not a brand of inferiority but almost a badge of distinction. The notion that Germans are among "our best citizens" and that Scandinavians particularly represent nations which know how to solve problems has been partly responsible for this result.

Finally, there is political traditionalism. In some important phases, even as bearing upon foreign policy, the expanding and developing West became hooked to the industrial and financial East even before the Civil War. The East got its protectionism; the new West got internal improvements and land for the asking. The war between the states clinched the alliance for two generations. The Middle West was Republican both when Republicanism meant expansion and imperialism (plunging into world affairs) and when it came to mean somewhat equivocal isolationism. It was Republican as to protectionism, the essence of international economic policy. The dogmas ran deep.

This in a sense is an empire. Within it, more or less in clash, is the city mind and the country mind. Down to even the small towns, in the most thoroughly agricultural areas, the dogmas of the industrial East have been almost impervious to the impact of rural thinking and therefore of the deeper regional economic interest. This has been more manifest with respect to domestic

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issues, but has been by no means unrelated to policies of world import.

In agricultural circles the attitudes one finds toward international things vary with the type of farming. Generally speaking, a one-crop area — be it dairying, or sugar beet, or cattle, or wool — thinks more narrowly, with less comprehension of even regional interdependence, and certainly with less comprehension that there is such a thing as international interdependence, than is the case in an area where farming types are diverse and intermingled or where the principal farm production is of the highly efficient, surplus-producing type which recognizes some degree of dependence upon exports. Naturally, there are differences of attitude within the great farm organizations, and the pronouncements at their annual conventions either are compromises that grant some deference to minority opinion or at the most represent a majority, not a unanimous, view.

There are differences of attitude between age levels; between the better educated leadership in city and country and the more numerous "common man;" and within the political parties.

But there are elements of unity also in the Middle Western picture.

Some of these, rooted in history, have already been suggested. In addition, there is the fact that the Middle West is not so acutely conscious of being a "region" as some other sections are. Our states have little of the sentimental traditionalism of the original thirteen — they were carved and added, never were really sovereign. Centralization comes easier here. Geographical isolation from "the world" still exists, but communications have worked to make it only slightly greater than the geographical isolation of the nation as a whole. And any study of the enlightening polls on issues of foreign policy, taken by the American Institute of Public Opinion (Gallup) and by *Fortune* magazine, supplemented by various lesser polls in relatively restricted areas, shows clearly that the "die-hard isolationism" attributed to the Middle West is largely an illusion.

With minor and fluctuating variations, most of which tend to cancel out, the Middle West, according to the reports of these authorities, appears to ride along steadily close to the "national norm." Both Gallup and *Fortune* split the Middle West into two regions, differing little in make-up. Their polls on questions of foreign policy, from war and neutrality to the trade agreements pro-

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gram, ordinarily do not indicate sufficient divergence from the national in either half of this region to warrant making a breakdown in the published tabulation. When such breakdowns are made, they rarely show anything striking. These scientific testings, by the modern techniques, justify the verdict of Odum and Moore in "American Regionalism" that this hybrid rural-urban region is "the most American of them all."

Keeping in mind this tendency of the region to represent not extreme particularism but something close to a national average, what can we say are the principal Middle Western attitudes at present toward problems of "abroad"? The answers, based on personal judgments checked against the national polls, seem to be these:

1. The Middle West is not so peculiarly isolationist as it is generally assumed to be.

Among leaders in major groups, including the farm, there is an increasing tendency to accept the concept that our problems spring largely from roots that are world-wide. There is a general and genuine response to appeals to contribute to "peace," be it in the Rotary clubs of the larger cities or in any gathering of farmers. All the big farm organizations, nationally and regionally, reflect this interest. But, precisely as in the rest of the country, along with this goes fear of the untried; a powerful hang-over of the mind-habits of rugged individualism with regard to the nation as a whole, even though the same mind-habits are breaking down rapidly on the citizen level; an inevitable lag of the masses behind the degree of comprehension acquired by the leaders; and a marked disposition of politicos not to lead in forming opinions but to exploit those which already exist.

In short, the Middle West, with perhaps a trifle more of idealism and a trifle less of clearly conceived economic motivation, longs for a righteous and stable peace. It is "for" an American contribution to that, but with many an "if" and "but." It has the sort of attitude that favors a Kellogg Pact but would shy off from implementing it. Because of the retrospective propaganda there has been about the World War, because of that queer thing called "disillusionment" since now there is war in Europe again, isolationism has been somewhat heightened. But it is a regretful and defeatist heightening. The permanence or impermanence of this shift remains for events to illuminate—perhaps to determine. In any case it is not clearly greater in this region than in others.

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2. As to the wars that are now going on abroad, the main reaction is that we want to keep out of the fighting.

Sympathies are substantially as strongly for the "democracies" here as elsewhere in the country. The opinion polls show that Middle Westerners rate Germans along with Scandinavians as their own best citizens; but the polls have likewise shown that the British are the most popular foreign people and the Germans (Nazis) the most unpopular. Today the Russians might top the Nazis for that special distinction. Along with the wish to stay out of the fighting goes a deep pessimism as to the practicability of doing so if the war is prolonged and if it should appear that the Allies are losing. There is a vague but powerful feeling that victory for the totalitarians would create a danger for us. To face a world without the *Pax Britannica* would alarm the Middle West. For economic, humane and moral reasons peace is deeply wanted. But a peace of capitulation by the democracies would be even more deeply resented.

The Middle West is a little more skeptical than other regions about the need for vast armament programs and such; but not strongly so. In face of an evident challenge to our free institutions, of any kind of menace to Canada, of any real threat to the Monroe Doctrine (though the line might be drawn at the Amazon rather than at Cape Horn) the Middle West would fight. The "slow motion" character of the war up to now has expanded our hope of the country's being able to maintain neutrality; but we have our fingers crossed. The Finnish situation hits our weak side. We are rather disturbed about it.

3. Toward the "other war," the one in East Asia, the Middle West shares the country's general sympathy for China, its acquiescence in cuffs at Japan like the abrogation of the commercial treaty, its belief that nevertheless nothing in Asia warrants risking a war, and the general feeling of uncertainty and relative disinterest. Habitually the Middle West turns its eyes toward Europe. The Far East today is a side show, as it always has been. The complete contradiction between our theoretical non-interventionism in the affairs of Europe and our practical playing of the balance-of-power game beyond seven thousand miles of Pacific Ocean has disturbed the Middle West not at all. If the Government chose to pull out of China and even the Philippines, bag and baggage, the Middle West would tend to applaud. But the Middle West does not at present insist. It would recoil

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vigorously if it suddenly appeared that diplomatic steps had brought us to the point of war. But because it prevailingly is uninformed and chronically disinterested (characteristic by no means alone of this region), it gives the Government a relatively free hand about the diplomatic steps to be taken, and a responsibility which is correspondingly grave. So far the Middle West has approved the Administration's course.

4. Pan-Americanism is too thin a thing, as yet, to be considered of great consequence. However, there is general applause for "good neighborliness," some interest in questions of strategic and in a lesser degree ideological common defense, and some response to propaganda by protectionists against competitive imports.

5. The question of international economic policy demands fuller analysis, for it is here that both turmoil and trend are most marked. The greater significance in the long run, both as to domestic politics and in connection with "looking abroad," probably lies here.

While, as has been emphasized, all the divergencies of interest and attitude toward trade restrictionism which exist in other regions exist also in the Middle West, two things which have happened there work toward effecting a sea change. The first (though the less important) is the development of efficient industries, such as the automotive, which have broken the solid front of tariff traditionalism in conservative urban ranks. Second, and more important, is the revolt in agriculture.

Because of these things chiefly, the Republican Party, despite its habitual domination by "the East," is itself shaken and uncertain about its future tariff policy. While strident declarations by ambitious leaders may give the impression today that there is unanimity, and while for 1940 they may even succeed in establishing a "party line" which the many dissenters will feel unable to disavow, the dissent is nevertheless there. And it may be significant that Colonel Knox, of the Middle West now though of past New England conditioning, is fighting openly for a complete overhaul of the Republican tariff position. It may be significant that Governor Landon, who is of the Middle West, is not joining in the cry for going back to tariff traditionalism. It may be significant that William Allen White is sounding warnings, and smilingly suggesting that if they are disregarded now they will be remembered soon hereafter. The Gallup polls have twice in

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two years indicated that the Middle West, in common with other regions, leans strongly away from a policy of extreme restriction and toward the Hull program at least in principle. The polls show that these leanings exist in the Republican Party, too.

Innumerable specific indicators of the shift could be cited — the Middle Western Committees on Foreign Relations, the Detroit Board of Commerce which declares "sled length" for the Hull policies, the venerable Prairie Club in Des Moines (conservative and Republican) which has today only a small residue of high-tariff sloganizers, a typical farm forum in Iowa's Dallas County where "The American market for the American farmer!" is met by the question, "Does that mean *only* the American market?"

The declarations of the great farm organizations — regional and state as well as national declarations — cannot be laughed off. The National Grange on the whole opposes the continuation of the trade agreement system, though less so in certain states than in others. The American Farm Bureau, very strong in this region, is for the Hull program. The legislative committee and the board of the National Farmers Union unanimously approved the statement that it "supports the philosophy of reciprocal trade treaties as the most likely to bring international coöperation and peace," while insisting on safeguarding "parity prices for domestic agricultural products *efficiently produced*." Its statement read further: "We are opposed to logrolling tariff legislation which has historically betrayed agriculture."

Nor can the experience of the 1936 campaign be wholly ignored. At the halfway mark Republican strategists readopted high-tariffism and stumped the supposedly most susceptible states of the farm belt with the old slogans. That campaign "got nowhere."

All these things there are. Moreover, it is true that in every farm group and in most of the city groups there is now fairly general acceptance of the concept that in order to sell you must buy. And a certain relationship between trade and peace is generally sensed.

Nevertheless, there is a negative side to the argument. Just as among industrialist "free enterprise" zealots there is a tenacious devotion to mercantilism in the international field, so a contradiction exists on the farm side. There is not among the farm masses as a whole any complete comprehension of the economic values

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of trade. Here, too, we have mercantilist bullionism — of course not recognized as such. To sell more and buy less seems to add up to Prosperity. The average farmer, as one leader puts it, still "thinks very provincially when foreign trade relates to his own product, though he is beginning to think in terms of international trade so far as the United States as a whole is concerned." He wants to sell his surpluses, admits the necessity of imports, but prefers or even insists that the imports be non-competitive as to what he himself produces. And, weakened though the mercantilist slogans of protectionism have become, they still have their pull. To base a policy of restriction on "differences in cost of production" seems very fair indeed, even to one who has begun to argue that because his production is "efficient" it should be enabled to move freely.

And even in those great organizations which have revolted the farthest and hardest, such as the Farm Bureau, there are special-crop minorities which hardly go along at all; and the revolt of the group as a whole is primarily the result of a conviction that the old formulas have "let them down." For the present, and probably from now on, they are going to look at the horse's teeth. It is still a case of leadership being definitely ahead of the crowd. It is still a case in which appreciation of a broad agricultural unity of interest is only slowly gaining ground. And in certain areas, marked by the complete dominance of established organizations of special commodity groups, where even nation-wide interdependence has hardly begun to be grasped, general isolationism and specific economic embargoism are almost unchallenged. Even here, it is worth noting, there has begun to appear, though only very recently, a willingness to let "the other side" be at least heard.

These trends exist. What they will evolve into depends, I surmise, much less on any Midwestern peculiarity than upon the impact of world developments upon the whole American nation.

If the nation as a whole feels itself driven somewhat reluctantly and without full comprehension into an increasingly isolationist position, with all which that implies in economic dislocation, increased domestic regimentation and increased armament burdens, the Middle West will be part of the movement, and though perhaps a little more reluctantly than some other regions. If, either through the sheer shock of suddenly finding oneself on the edge of an abyss or through the happy appearance of some

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gloriously promising opportunity, the rest of the nation is persuaded to accept larger international responsibilities for the sake of establishing a more stable and decent order in the world, the Middle West, in my judgment, will not drag its heels more noticeably than other regions do.

For the present it must be conceded that, except in limited circles, the more significant changes of attitude are fundamentally negative. They represent disillusion, which may be the beginning of education. In no phase is this clearer than in that of economic policy.

Broadly speaking, the farm revolt against traditional protectionism rests primarily on a feeling that the West has been wheedled and agriculture "played for a sucker." It is distrust of the old formulas, the old shibboleths, the old humbuggery, as many see it. The mind of the mass in the Middle West still wobbles between recognition of the general interest and the coaxing appeal of the immediate special interest of this little group and that. But the very existence of this indecision and conflict is Change with a big "C." It did not just happen. Certain things made it happen. Potentially they may carry far. They all center in education. Among the important elements have been these:

In the first place, farming in most of this region, and particularly in the most productive part, has become an exacting business. There is nothing of the Gandhi practice or philosophy in twentieth century farming in the American Middle West. Farming is commercial. It is geared into the national economic machine, in some cases into the international. The farmer calls on technology, in terms of his equipment. He calls on science, in terms of his seeding, his soil care, his feeding. Increasingly he must study markets. Problems of distribution, all the way from milk combines to labor unions, from pork in storage to the British demand, begin to enter his thinking. The relationship of his "net return" to the prices he gets and the prices he pays are part of his calculation. He is under pressure to keep accounts — costs are not something to be guessed at. While no miraculous transformation has been wrought, one important result of all this has been that an increasing proportion of the younger farmers have had contact with the land grant colleges. A good many are graduates. A growing minority have been equipped with some of the prerequisites of thinking.

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A second factor has been the "extension work" of the agricultural colleges. Their educational activities thread out constantly through the counties.

Thirdly must be mentioned the farm organizations — the Bureau, the Grange and the Union. They have their own educational programs, of varying intensity, which reach adults, men and women, and young folk, boys and girls. The federal farm programs of the last six years, with their state committees and county committees, on which really large numbers by now have served, have been both directly educational and indirectly potent in establishing habits of discussion. The press, the radio and automobile have all played a part, and in general the Middle West with its relatively favorable economic level has been more affected by these influences than other regions called agricultural.

The school systems of the region, too, both urban and rural, from the great universities to the secondary schools, have since the first World War both led and reflected an increasing interest in things that are of the planet rather than of the locality. Two decades ago it was just beginning to be debated whether courses in international affairs even belonged in our colleges. Now they are significant departments in the universities, the colleges and in many of the public schools. The level of student discussion on international affairs is dramatically higher than it was fifteen years ago.

One phenomenon, related to all this, which in its ultimate educational values may surpass all the rest, is the rise and the spread of the discussion method in some of the cities and more markedly in small towns, villages and almost wholly rural counties. Beginning in Iowa and expanding now into several other states of the region, even girls of the 4-H clubs are organizing discussion sessions. It is a revelation and an inspiration to see the eyes of these "teen" girls when a visitor from Norway, for instance, tells them in slightly accented English about the Scandinavian concept of neutrality. The women of the Farm Bureau Federation, again beginning in Iowa, have set up numerous rural-urban conferences for thorough ventilation of viewpoints, statewide and then country-wide. Iowa farm women have gone to Chicago to meet in this way with women who can speak for metropolitan labor. In Indiana and Missouri similar rural-urban meetings have been held, and the movement is afoot in additional states.

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There is an avidity for conference and discussion in "the farm crowd." Two-day conferences of intensive debate, involving cross-section groups of farmers and members of the agricultural committee of the National Association of Manufacturers, have been held in the last three years in various parts of the country. These began also in the western half of the Middle West, and several have been held in this region. Forums of various types, all providing for general discussion, have grown up and are multiplying. It is not uncommon in midwinter for several hundred men and women to drive from their farms to a county-seat town once a month or every fortnight to hear an address and to put the speaker through his paces in a "question period." The National Farm Institute, optimistically projected in Des Moines four years ago, purely for objective study of the most complex and serious problems affecting agriculture, and hence all groups, has been amazingly successful in generating enthusiasm both among farmers and town dwellers.

And in the larger cities of the region old discussion clubs have tended to revive and new ones have been formed. New small committees, like those sponsored by the Council on Foreign Relations, have appeared. They have numbered in their membership leading persons representing a variety of interests and virtually all strata. International problems in this period naturally tend to be most avidly discussed.

While it would be absurdly optimistic to conclude that as yet this ferment has greatly affected the attitudes of our 38 million or so, there can be no question but that the ferment is here, that there is more of it, much more, than ever before in our time, that there is spontaneity rather than high pressure about its encouraging spread, and that for the long pull it may prove to be the most significant thing on which one can report today. It is the "democratic process," trying to find itself and prove itself in a world of unparalleled complexities. And the persons who are doing more in it, and more for it, than any others in our nation are those whom a New Hampshire senator a few years ago sagely identified as "sons of the wild jackass."

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THE WAR AT SEA

By Hector C. Bywater

AMERICAN and British views on sea warfare are so similar that naval students in the two countries will agree on many conclusions about the opening phases of the present campaign. They will agree, for example, that the present naval war is not likely to provide a major fleet action on the scale of Jutland. The German Navy's strength in capital ships at the outbreak of war was much too low to permit it to challenge the British fleet. Against the fourteen British capital ships in existence — though not all concentrated in the North Sea, as the Grand Fleet was in 1914 — Germany could oppose only the two battle cruisers *Scharnhorst* and *Gneisenau*. Her two new battleships of the 35,000-ton *Bismarck* class will probably not come into service for many months; nor is it conceivable that even after all four of the new German capital ships have been completed twelve to fifteen months hence they will give battle to the British Main Fleet.

German naval strategy clearly must fall back on the old idea of a raiding war, a constant campaign of pinpricks in which the central objective is to destroy the enemy's commerce. One need not have been clairvoyant to foretell this at any time after 1935, when the Nazis put Admiral Erich Raeder at the head of the German Admiralty and told him to rebuild a navy that would revive the glories of the Kaiser's fleet. For Admiral Raeder was by no means a dark horse. His record in the last war as a Staff Officer with Hipper in the German Battle Cruiser Force was well known. Moreover, after that war he produced two important volumes on "Cruiser Warfare" in which he clearly laid down the lines along which a small force should wage naval warfare against a first-class Power. The plans which he outlined in those volumes he has followed in rebuilding the German Navy and, since last September, in employing it against the Allies. He advocated a cruiser war in which as many enemy naval vessels as possible would be tied up by a constant search for individual German commerce destroyers dispersed far and wide over the seas. He advocated the unrelenting destruction of the enemy's sea-borne commerce by every conceivable means. He advocated attacking the individual warships which were pursuing the raiders — whenever the warships were less powerful. And he advocated the *Blitzkrieg*, the in-

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fliction of instant and overwhelming damage at the very outset of hostilities.

It is clear, as indeed the Admiral's private conversations in Berlin long ago indicated, that his strategic ideas were strongly influenced by Mahan's "Sea Power in Its Relations to the War of 1812." The great damage done in that war to Britain's sea-borne trade by the small but efficient American Navy and by the well-handled privateers under the Stars and Stripes, impressed itself on Raeder's imagination. He saw what had been the effect on British public opinion, in the War of 1812, of the constant loss of merchant ships — a total of 500 captures in seven months — and he expected a small but efficiently trained German Navy to achieve a similar result by substituting U-boats for privateers.

This, then, was the basis of his policy. And the British Admiralty would have been blind had it failed to see what was bound to happen once war broke out.

The war came — and what happened?

A number of U-boats were already at large in the Atlantic along the routes usually followed by British merchant shipping in times of peace. To this extent Raeder's plans had worked. But there were no German cruisers at sea. In 1914 the light cruisers *Emden*, *Karlsruhe*, *Leipzig*, *Dresden* and *Nürnberg*, in addition to the famous Far Eastern Squadron of von Spee headed by the *Scharnhorst* and *Gneisenau*, were all at sea destroying Allied commerce. In 1939 the only German surface warship outside the Bight of Helgoland when the war began was the *Admiral Graf Spee*. Nor was Germany able to fill this gap in her offensive plans by setting converted merchantmen to prey on the trade routes. That part of Raeder's strategy broke down completely. There was no *Blitzkrieg* on the surface of the sea.

What of the underwater campaign?

In the first week of the war eleven British merchantmen were sunk; in the second week, sixteen; in the third, seven — an average of eleven a week. To attain the 1812 figures of 500 in seven months, the average would have had to be eighteen a week. The pressure was obviously below the standard set by the program. Even in tonnage this fell far below the achievements of the U-boats of 1916. Raeder's flotillas, in spite of the opportunities for catching British merchant ships still on their peacetime routes and in peacetime routine, could sink only 156,000 tons of British shipping in the first month of the war, whereas the Kaiser's

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flotillas sank 545,000 tons in the month of April 1917. This was a resounding failure for the German Navy.

We do not yet know how many U-boats were dispatched to the Atlantic in the first "wave" of the attack. The total number of German ocean-going submarines at that time may be put at approximately 40. Normal submarine practice is to have one third of the flotillas at sea, one third resting or starting out again, and one third in reserve for overhaul and refitting. There would therefore have been at least twelve or fourteen U-boats engaged in the first onslaught on British shipping. On September 20, the British Prime Minister broke the silence which had been imposed by the Admiralty on news about U-boat sinkings by announcing in Parliament that it was probably an underestimate to state that the German losses already amounted to at least six or seven boats. Naval students realized at once the dramatic significance of that disclosure, for it meant that something like 50 percent of the attacking force had been wiped out. The opening three weeks of the new war had shown a better result than the best four-weekly average hitherto known.

Sinkings at such a rate must outdistance any possible rate of replacement. The best that German yards could hope to do was to produce boats at the rate of seven a month. It was not unreasonable to conclude therefore that the U-boat menace was held. It was not mastered, but it was in check. No paralyzing losses of tonnage were to be expected from that source.

These facts were certainly appreciated in the Navy Ministry at Berlin, and there was a hurried change of plans. A second "wave" of U-boats that was to have operated along the Atlantic sea lanes was diverted to an attack on the neutrals' trade with Britain. Danish, Norwegian, Swedish and Dutch shipowners and seamen were to be frightened away from British ports by a campaign of seizure and sinking. U-boats and small surface craft attacked vigorously in the confined waters of the Kattegat and in the channels leading to the Baltic, where the British anti-submarine flotillas could not operate practicably. The weekly rate of sinkings of neutral ships by U-boats rose from 11,800 tons to 15,650 tons, and then to 19,600 tons. Scores of ships leaving or entering the Baltic were seized and taken to German ports for treatment under prize law. Yet the neutrals continued to trade. To and fro across the North Sea they plied, bearing the markings of their nationality for all to see, and fully lighted at night as

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though daring the U-boats to attack them. Many of them were chartered by British interests; others continued to work for their owners. That campaign, too, failed of its intended effect.

Meantime German merchant shipping was laid up all over the world in neutral harbors, and none of the expected merchant cruisers made an appearance on the trade routes. Beyond the U-boats' radius of action British sea-borne commerce moved without any hindrance. Admiral Raeder then played another card. He used the so-called "pocket battleships" — which in reality are armored cruisers of exceptional gun power. The *Admiral Graf Spee* operated in the South Atlantic, while the *Deutschland* stayed in the North Atlantic.

This may be counted as a setback for the British blockading squadrons stationed between the Orkneys and Iceland. To elude these squadrons is not, however, a superhuman task. More than 600 merchant ships did it in the last war; three commerce raiders slipped away undetected, to prey on Allied trade and two got back home after long cruises. But the success of the *Graf Spee* and the *Deutschland* in making their way to the open ocean was not followed by any such spectacular onslaught on shipping as had been expected from ships of their class. The *Graf Spee* caught a small steamer, the *Clement*, off Pernambuco on September 30. She caught four more ships during October off the West African coast, and then, after a brief incursion into the Indian Ocean, she had a blank month before capturing three more ships in the South Atlantic and coming to an inglorious end at Montevideo. In all she sank 50,139 tons, which compares poorly with the 72,805 tons sunk by the *Karlsruhe* or the 70,360 tons sunk by the *Emden* in 1914. The *Deutschland's* cruise in the North Atlantic was contemptible in its effect on trade. She sank one British steamer, the *Stonegate*, of 5,044 tons. She captured the American steamer *City of Flint*, whose subsequent adventures kept the world amused for some weeks; she was detected by the British auxiliary cruiser *Rawalpindi* (a converted merchantman), which she sank without difficulty due to her heavy armament. And after having been at sea for at least ten weeks she returned in complete secrecy to Germany, where the naval authorities refrained from staging such jubilant demonstrations as had marked the return of the *Moewe* and the *Wolf* from their escapades in the last war. Admiral Raeder was not pleased with the *Deutschland's* showing as a commerce destroyer.

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Was the ineffectiveness of the pocket battleships due to German inefficiency or to British countermeasures? The answer is surely to be found in the fact that more than half the German merchantmen which put out from South American and African ports with the intention of joining the raiders as supply ships were picked up by British patrol cruisers within a few days of their emergence, and that several others found it expedient to run again for shelter in a neutral port. The strategic disposition of the British naval forces in those waters by the Naval Staff was brilliantly justified by the results. We now know that in the North Atlantic large and important convoys were constantly on the move during the time that the two pocket battleships were at large, and that the first contingent of the Canadian Expeditionary Force was moved to Europe while the *Deutschland* was still within striking distance.

Nor did the concentration of the three cruisers *Exeter*, *Ajax* and *Achilles* on the *Graf Spee* off Montevideo on December 13 occur by chance. That action has a historic interest perhaps unique in naval annals. Some time must elapse before we can make any detailed professional appraisal of it. Nevertheless, from the moment the first brief cabled reports reached London, it was clear that the British vessels had fought according to an entirely new conception of cruiser tactics. American naval opinion, in adjudging the work of the British Navy in the last war, has been critical of the way many of the British officers handled their cruiser squadrons — and this criticism has not been without its counterpart in British naval circles. The one man who showed genius in cruiser tactics in that war was the present Admiral Sir William Goodenough; and after the war he was able to exert considerable influence on the thought and training of the next generation of admirals and commodores. Commodore Harwood's tactics at the Battle of La Plata seem from the present incomplete evidence to show that he applied Goodenough's dictum: "Every officer in command of a cruiser squadron should impart to his captains the doctrine of elasticity and decentralization." The story was the same as in the sailing-ship era. The rigid line of battle results only in inconclusive cannonading. Fluidity of movement — as in Nelson's case at St. Vincent — both surprises the enemy and forces a conclusive action. Harwood's three cruisers, outgunned and outranged by their opponent, surprised him by the elasticity of their movements, shook him by closing in to *their*

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effective range, defying death from his heavier weight of fire, and bewildered his gunnery control by pouring in their fire from three different directions instead of steaming on line ahead and sending broadsides from approximately the same point. This was a brilliant adaptation to modern material of an idea at least as old as Rodney. We still have many details to hear about the Battle of La Plata, but already its main lesson is clear.

How are we to interpret the scuttling of the *Graf Spee?* That it could have been dictated by her physical state after the battle seems hardly possible. She had not, apparently, used up anything like her total supply of ammunition. The damage done by the British shells, though severe, had not affected her steaming powers. If her main gunnery control was wrecked, that did not make her incapable of fighting, though it would handicap her against well-found ships. We may therefore conjecture that "moral" reasons dictated this act, of which the ultimate effect on world opinion was totally different from that expected by Berlin. We must remember that ever since June 1919 there has been a determined effort in German naval circles to represent the scuttling of the German Fleet at Scapa Flow as a great and glorious deed, "*ein Ruhmestag*" in German naval history. Germany has endeavored to establish a new sea tradition diametrically opposed to that accepted by practically every other seafaring nation. She has sought to surround scuttling with a glamour, an air of heroic self-sacrifice. The suicide of the *Graf Spee* was expected to clinch that tradition, to dramatize it into world acceptance. It failed to do so. And Captain Langsdorff must have been aware that it would fail, for though he obeyed orders, he refused to survive the disgrace that he knew must attach to the deed. To his memory seafaring men of every nation will pay sympathetic tribute.

By about the middle of October, when the weekly sinkings of British merchant ships had shrunk to three as against the average of 18 necessary to have an effect on public opinion, the German Admiralty decided that further measures must be taken. We began to find traces of mine fields in the open sea off the east coast of Britain, fields of which no public warning had been given and which in any case should not have been laid by any belligerent on the routes normally used by neutral traffic. But there were not many losses from this cause for about a month. Then on November 18 the storm burst. The Germans began to scatter magnetic mines freely in the narrow channels between the sandbanks in the

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Thames Estuary, channels used constantly by the ships of all nations. Within a fortnight sixteen neutral and ten British ships were destroyed off the British east coast by this new device. The dramatic effect of the blow was heightened by the employment of seaplanes for laying some of the mines. An air-minded public immediately attached fantastic importance to this new weapon. Actually, the evidence does not support the view that any large section of the Thames Estuary mine field was laid by German aircraft. And a subsequent large-scale mining operation off the Northumbrian coast, intended to catch traffic going to and from the Tyne, was almost certainly not carried out from the air. Submarine mine layers, of about 1,100 tons and carrying 42 to 48 mines each, were far more probably the instruments used. Large though it is, such a load of mines is by no means exceptional for a submarine. The American vessel *Argonaut*, put into service thirteen years ago, was designed to carry sixty.

The British public has been so consistently fed with propaganda about air power that aviation has taken a wholly disproportionate place in the Englishman's interest. Naval technicians were well aware, three years ago, that the Germans were experimenting with the dropping of mines by seaplane. Indeed, there was a reference to this fact in the German annual *Nauticus*. But it was also known that the light types of mine with which these experiments were carried out did not withstand the shock of impact when they fell into the water from a height of 60 feet or over. Consequently a heavier type of casing had to be used, with the obvious result that the number which a seaplane could carry was reduced. Even the magnetic mine, which needs no sinker or anchoring cable, is by no means light and the number that can be carried even by a seaplane of the largest type is not more than eight. Moreover, the aërial mine layer must have some light — twilight or moonlight — by which to work. The magnetic mine must be placed in channels actually navigated and of no great depth if it is to be effective. Haphazard scattering from the air over the sandbanked waters of the Thames Estuary, for example, would result in a large number of mines falling on shoal patches over which no vessel ever moves. But if the seaplane, in order to find the channels it wants to mine, operates in the light and over waters that are frequented, it is almost certain to be sighted, and the position of its field will be detected. The submarine is under no such handicap. It may be detected by British listening gear, it

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is true, but it can bide its time, resting on the bottom until the hunting craft have moved elsewhere.

Nor are magnetic mines any surprise. The British Navy had more than one variety in use in the last war. Numbers of them were employed in the Northern Barrage between the Orkneys and Norwegian territorial waters. An American type was also used in that barrage, devised by Mr. Ralph C. Browne of Salem, Massachusetts, and perfected by him in conjunction with the Bureau of Ordnance. And naturally, ever since the magnetic mine has been in existence all navies have evolved antidotes. Unfortunately, the combinations and permutations in types of mines are almost infinite, and the antidote for one type of magnetic mine would be useless against others. Therefore, until some specimens of the mine in use had been dissected by experts, it was obviously futile to put any one anti-mine device into production. There was inevitably much secrecy about the whole business; but a month after the Germans first used magnetic mines, Mr. Churchill in a review of the war at sea indicated that the mine menace, like the U-boat menace, was checked, and it was subsequently semi-officially admitted that the suitable antidote was in production in large quantities. This point merits a certain amount of emphasis. To the layman every new technical device comes as a dramatic surprise and he does not realize that there is nothing novel about it to the technician. In many cases research work has for years been going on quietly into the very problem which suddenly emerges into public notice. The additional secrecy which war inevitably imposes on news about inventions has kept the world at large from appreciating what remarkable success the British research workers have had in rapidly producing an effective reply to the new German menace.

Nevertheless, we in Britain realize that the mine war is by no means at an end. The German Admiralty may put variations of the magnetic mine into production in order to offset the first British counteraction, and we may see fresh outbursts of wholesale sinkings by this means. We have learned from previous experience that losses in the mercantile marine will fluctuate according to a well-defined rhythm. For the moment naval activity has been held up by the severe winter, though the inevitable losses among small British patrol craft continue.

One of the great surprises of this war, as far as the lay public is concerned, has been the comparative ineffectiveness of air at-

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tack against fleets and against convoys of merchantmen. Hair-raising forecasts of destruction by bombing at sea were so incessant during the twenty years from 1919 to 1939 that the lay public believed the air arm to have revolutionized warfare completely. The fact of the matter is that an air attack at sea and even in harbors against British naval vessels has produced only a modicum of damage, and the loss to the attacking forces, in both machines and men, has been out of all proportion to the damage done. The following table shows the actual results of aërial warfare against the British Navy:

Date	*Scene of Attack*	*Forces Engaged*	*Losses* *British*	*German*
1939				
Sept. 27	North Sea	British warships 20 German planes	None	3 planes
Sept. 27	May Island	British destroyer 1 German plane	None	None
Oct. 7	North Sea	2 Br. mine sweepers German aircraft	None	None
Oct. 9	North Sea	British cruisers 30 German planes	None	6 planes
Oct. 16	Firth of Forth	British warships 12 German planes	1 hit on cruiser 2 near misses	4 planes
Oct. 17	Scapa Flow	British warships 14 German planes	1 near miss	2 planes
Oct. 21	North Sea	British convoy 12 German planes	None	4 planes
Oct. 22	St. Abb's Head	British convoy 2 German bombers	None	1 plane
Oct. 30	S. Dogger Bank	British destroyers 2 German planes	None	—
Nov. 20	North Sea	British destroyers German aircraft	None	None
Nov. 25	North Sea	British warships German aircraft	None	None
1940				
Jan. 1	Off Shetlands	British warships German aircraft	None	None
Feb. 5	North Sea	Mine sweeper *Sphinx* German aircraft	Direct hits	None

The "near miss" explosions were serious in their effects, though in no case did they involve the absence of a fighting ship from her place in the line for more than a week or two.

The British have carried out two or three air raids on German

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warships at anchor or cruising in Helgoland Bight in which the airmen claim to have made direct hits. In the absence of any information from Germany about the effects of these raids it is not possible to draw any firm conclusions, but the consensus of opinion in British circles is that the damage done cannot have been of vital importance. Air attacks have been delivered against U-boats by British aircraft on a number of occasions, and the British Air Ministry has publicly claimed that enemy craft have been "sunk" in some of these attacks. These claims are neither endorsed nor denied publicly by the Admiralty, but anyone with experience in anti-submarine warfare knows how deceptive can be evidence concerning the "sinking" of a U-boat. Even in cases where survivors have been picked up, it has been subsequently found that the vessel was not destroyed but had limped home to be repaired and reappear on the hunting grounds. Many months must elapse before we can test the accuracy of the airmen's claims to have destroyed U-boats with bombs.

The German Air Force, having failed to achieve the blood-curdling results against the British fleet promised by Field Marshal Göring, turned to another form of attack. Noncombatant fishermen in their trawlers were bombed and machine-gunned under the pretext that they were "patrol vessels." Neutral steamers not in convoy and therefore entirely without an "offensive" character met the same fate. As I write, the worst feature of the war at sea is the continual air attacks on mercantile shipping: in the first week of February alone, some five ships were sunk in this manner and about one hundred noncombatants killed. Even a Trinity House tender carrying crews to the lightships in the North Sea — which incidentally are useful navigation marks for U-boats working after dark — was savagely attacked by aircraft and machine-gunned for half an hour, killing and wounding 32 inoffensive men. This, however, can hardly be called aërial warfare. It is gangsterdom and does not enter into any serious technical discussion of the developments of the war at sea.

Thus far we have dealt mainly with the German side of the operations and the balance sheet shows a considerable sum to Britain's credit. What of her losses?

It is scarcely necessary to say that the exaggerated German claims about the number of British warships sunk are now universally discredited. The British Admiralty has announced the sinking of the aircraft-carrier *Courageous* and of the battleship

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Royal Oak; the destruction of the *Rawalpindi;* the torpedoing or the blowing up on mines of the destroyers *Jersey*, *Blanche*, *Gipsy*, *Grenville*, *Exmouth* and *Daring* and of a number of smaller craft such as submarines and trawler-mine sweepers. Beyond those losses there have been no sinkings of British naval units. There has been damage by enemy action — the cruiser *Belfast*, the battleships *Nelson* and *Barham*, and the three cruisers that fought the *Graf Spee* are examples — and there has been the inevitable damage by stress of weather and by collision while navigating without lights. But broadly speaking the active strength of the British Navy is unimpaired; and as all naval students are aware, there were 105 new vessels of all classes approaching completion when the war began and another 68 on order. Since September the First Lord of the Admiralty has more than once referred publicly to wartime additions to the building program, notably in his statement that in a few months the submarine-hunting flotillas would be tripled in strength.

The worst blow that has fallen on the British Navy during the war was the torpedoing of the battleship *Royal Oak* inside the anchorage at Scapa Flow. The seriousness of this was not so much the military value of the ship, nor even the ghastly price in human life. It was the disclosure of a bad blunder in staff work — the failure, twelve months earlier, to complete the blocking of all the subsidiary approaches to the roadstead at Scapa Flow. This was exactly on a par with the heedlessness of a householder who bolts and doublelocks his front door but leaves a window wide open for the convenience of the burglar. That the Naval Staff could have been guilty of so elementary a blunder came as a great shock to opinion in Britain, and although public comment, under the stress of war, was guarded and restrained, the nation chalked up a definitely black mark against Admiralty.

But when we compare the strategic dispositions of the Navy and the results they gave during 1939 with the corresponding period of 1914 it is clear that the British Naval Staff's understanding of the problems to be solved has been far better in this war than it was at the outset of the other, and that the hard, ungrudging work of the men at sea has been far better directed and far more skilfully used now than then. The present war has, in its opening stages, been almost wholly a sea war. And the balance sheet shows a strong credit to the account of the British Navy.

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IS BESSARABIA NEXT?

By Philip E. Mosely

WITH the dramatic shift of Soviet foreign policy from an ostensible line of "peace and democracy" to one of territorial aggrandizement the future of Bessarabia becomes again a matter for prognostication. Speculation has been intensified by a mysterious episode of December 6, 1939, when a leading Moscow periodical published a bitter attack on Rumanian rule in Bessarabia, only to be disavowed promptly by an official communiqué. But the political augurs are far from unanimous as to the direction which the new Soviet policy will take in that corner of Europe. Some Balkan observers foresee a new Russian attack on Bessarabia, both as a means of recovering territory lost in 1917 and as a step towards Istanbul and the Straits. According to another school of diviners, Hitler and Stalin have already decided, as a corollary to the Soviet-German Pact of August 1939, on the partition of Rumania, with Bessarabia and perhaps Bucovina staked out as the Soviet share. Still other commentators are convinced that, in order to ensure an uninterrupted supply of Rumanian materials, especially of oil, Germany has secretly guaranteed Rumania's integrity against Soviet attack. The only public guarantee which Rumania has received is that of England and France, and it is presumably directed, like the guarantee to Poland, against Germany alone. Bucharest is supposed to have sought, so far in vain, for a guarantee from Turkey and from the Balkan Entente as a whole.

Guarantees or no guarantees, Bessarabia seems likely to live up to its reputation as one of the most contested areas of Europe. After several centuries as part of the principality of Moldavia under Ottoman suzerainty, Bessarabia was ceded to Russia in the Russo-Turkish treaty of 1812. In the Treaty of Paris of 1856 the southwestern districts (indicated on the map) were returned to Moldavia and thus came to form a part of the united principality of Rumania; in 1878 the Congress of Berlin handed them back to Russia over the protest of Rumania, which was forced to accept northern Dobruja in compensation. During the century of Russian rule the province became, ethnically speaking, one of the most crazy quilt areas in Europe. According to the Russian census of 1897, the approximately 2,000,000 inhabitants of Bessarabia were divided as follows: 47.6 percent Rumanians, 27.8 percent Russians and Ukrainians combined, 11.8 percent Jews, 5.3 percent Bulgarians, and 3.1 percent Germans, not to mention numerous smaller groups. Prior to the war of 1914 the region was a land of large estates, of periodic drought and famine, of illiteracy and anti-Semitism. Despite a weak but growing "Moldavian," or Rumanian, agitation which developed after the revolution of 1905, the question of its return to Rumania was not raised seriously until the Bolshevik Revolution of 1917 proclaimed the right of self-determination for all subject nationalities in the former Tsarist empire.

Following the separation of the Ukraine from Russia in the autumn of 1917, the autonomy of Bessarabia was proclaimed (October 20, 1917) by the Council of the Land, or "Sfatul Ţărei," formed on a somewhat haphazard basis (like the Russian Soviets and the Ukrainian Rada) by representatives of many local

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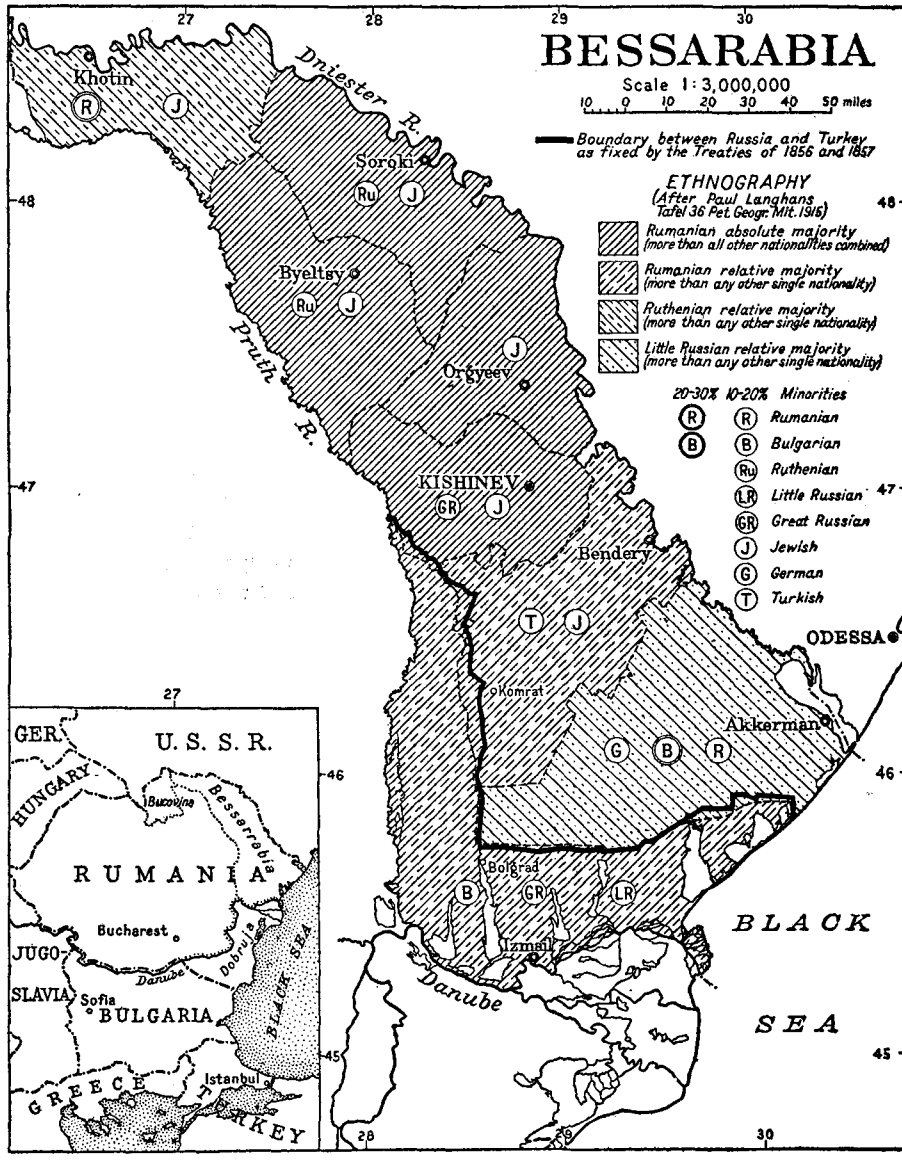
organizations both Rumanian and non-Rumanian. On March 27, 1918, the Council voted for the union of Bessarabia with Rumania, and on November



27 it dissolved.[1] Since then the province has been a part of the unitary kingdom of Rumania; its lingering hopes for provincial autonomy received the quietus with the abandonment of the plan for a federal reconstruction of Rumania

[1] For a more complete review of the Bessarabian question up to 1924, see H. F. A.: "The Bessarabian Dispute," FOREIGN AFFAIRS, June 1924, p. 662–667.

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with which the National Peasant Party under Iuliu Maniu had come into power in 1928.

After the act of union of March 1918, the international status of Bessarabia had still to be clarified. But action was delayed by the uncertainties of 1918–19 regarding the future régime in Russia and by American insistence on the principle of Russian territorial integrity. Both considerations ceased to operate by 1920. Recognition of the union of Bessarabia with Rumania was granted by the Treaty of Paris (October 28, 1920) which was ratified over Soviet protest by Great Britain on January 1, 1921, by Rumania on April 7, 1922, by France on March 11, 1924, and by Italy on March 8, 1927.[2] Although Article IX of the treaty provided that Russia should be invited to adhere to it, the Soviet Government has never done so. Moscow continued to deny that the Sfatul Ţării had had the right to settle Bessarabia's fate; it also continued to denounce the action of Russia's former allies in disposing of the territory of a country with which they had not been at war, and to demand a plebiscite in the area. To give emphasis to this agitation for the "freeing" of Bessarabia, the Soviets created an Autonomous Moldavian Republic in the Rumanian-inhabited area of southwestern Ukraine.

Bessarabia was the most backward province of European Russia and it has remained the most backward area of Greater Rumania. In 1897 only 19.4 percent of the inhabitants over six years of age were literate. By 1930 the percentage had risen to 38.1, as against an average of 57 percent for Rumania as a whole. Another index of stagnation is found in the relative decline of the province's urban population, from 15.2 percent of the total in 1897 to 12.9 percent in 1930. A special source of weakness for the Rumanians in Bessarabia is their weak representation (only 31 percent) in the towns.

In the interval between the last complete Russian census and the first complete Rumanian one significant changes occurred in the ethnic composition of Bessarabia. The figures for 1897 have already been given. In the census of 1930 the Rumanians accounted for 56.2 percent, the Russians and Ukrainians for 23.3 percent. Now that the relative majority of the Rumanians has been turned into an absolute one, their claim to the province has been greatly strengthened. Even when the population figures are broken down district by district, the Russians and Ukrainians combined have an absolute majority (50.8 percent) only in the district of Hotin (Khotin) in the northernmost part.

Rumania has treated her minorities in Bessarabia far worse than those in the more highly developed provinces acquired from Austria-Hungary. Although the Treaty of October 28, 1920, provided in Article III that the stipulations of the Treaty of Paris (December 9, 1919) for the protection of the rights of racial, linguistic and religious minorities should be "observed rigorously on the territory of Bessarabia," such rights have in fact been enjoyed there only by the German communities. The fact that Bulgarians, Russians and Ukrainians, unlike Magyars and Germans, are of the same Orthodox faith as the Rumanians, has prevented them from building up distinct religious-national organizations. Until recently the Slav minorities in Bessarabia had little opportunity for cultural or economic association. The Soviet occupation of

[2] Technically the Treaty never came into effect because one of the signatories, Japan, never ratified it. But the moral effect of ratification by Britain, France and Italy remains.

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eastern Poland in September 1939 led to the adoption of a new policy in Rumania. King Carol immediately announced that the Russians and Ukrainians would now receive full educational and cultural opportunities on a par with the Magyar and German minorities, which have organized their own national sections within the "Rumanian Front," the only legal party in the country. At the end of February 1940 the Ukrainian leaders in Bessarabia were pressing Bucharest to hasten the opening of schools and the creation of a separate church organization for their national group.

Since 1927, when Italy ratified the Treaty of October 28, 1920, there have been no diplomatic acts dealing specifically with Bessarabia. However, beginning in 1928 several international agreements have greatly strengthened Rumania's title to her eastern province. Russia and Rumania adhered to the Kellogg-Briand Pact in which they renounced war as an instrument of national policy. On the initiative of the Soviet Government a supplementary protocol was signed in Moscow on February 9, 1929, in which the Soviet Union and its western neighbors, including Rumania, agreed to put the Kellogg-Briand Pact into effect at once, without waiting for other states to ratify.

A major flaw in the Kellogg-Briand Pact was the absence of any agreed definition of aggression, as Litvinov pointed out with great insistence and faultless logic. As far as Russia's relations with her neighbors were concerned, this defect was remedied by the London Convention for the Definition of Aggression (signed on July 3, 1933, and effective on October 16, 1933) of which Rumania was a signatory. An almost identical pact, signed on July 4, 1933, between the Soviet Union, the members of the Little Entente, and Turkey, went into effect on February 17, 1934.[3] By Article I of each of these Conventions the contracting parties agreed to accept the definition of aggression as contained in the Politis Report of May 24, 1933 to the Disarmament Conference. Paragraph 23 of the Report stated that "by territory is here meant territory over which a State actually exercises authority." Thus, the Conventions of July 3 and July 4, 1933, constituted a further *de jure* recognition of the Soviet-Rumanian boundary as of the dates on which the Conventions took effect, in addition to that implied in the Kellogg-Briand Pact and the Moscow protocol. Article II of the Conventions embodied a precise and exhaustive definition of aggression, while Article III provided that "no political, military, economic or other considerations may serve as an excuse or justification for the aggression referred to in Article II." The meaning of Article III was made even more precise and binding by a detailed Annex attached to the Conventions.

Almost a year later diplomatic relations were established between Rumania and the U.S.S.R. after an exchange of notes between Titulescu and Litvinov. In his letter of June 9, 1934, to the Rumanian Foreign Minister, Litvinov declared:

> The governments of our countries mutually guarantee each other the full respect of the sovereignty of each of our states and the abstention from any interference, direct or indirect, in the domestic affairs and developments of the other, and especially from any agitation, propaganda or any kind of intervention on behalf of or in support thereof. The governments pledge themselves also not to create, support or authorize the es-

[3] For texts of the two Conventions see *League of Nations Treaty Series*, Vol. 147 (1934), p. 67–77, and Vol. 148 (1934), p. 211–219.

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tablishment on their territories of organizations whose purposes would be taking up arms against the other state, an attack by force against its political and social régime, incitement to terroristic acts, or their preparation, against its official representatives, as well as those organizations which would assume the function of governing the other state or part thereof. Besides, they pledge themselves to prevent the recruiting as well as the entry on their territories and the transshipment through them of armies, armament, munitions, equipment and any kind of supplies destined for those organizations.

Between 1928 and 1934, by a series of treaties, conventions and unpublished pledges, the Soviet Union abandoned its earlier intransigence in the Bessarabian question and acknowledged Rumania's *de jure* possession of its entire state territory. Today the Rumanian title to Bessarabia rests not only (1) on the historic grounds that the area was in effect part of Rumania prior to 1812, (2) on the vote of the Sfatul Ţărei in 1918, (3) on the presence of an absolute Rumanian majority in that province, and (4) on the express moral recognition of England, France, and Italy, but also on the *de jure* recognition of the Soviet Government.

If, however, the Soviets should decide to disregard these paper barriers and move against Bessarabia, would their aim be merely to take back that province, or would they aim to use it as a stepping-stone to the Balkan Peninsula and the Straits? From the point of view of strategy, a direct invasion of Bessarabia offers several disadvantages. The only bridge across the Dniester River, at Tighina (Bender), leads into the hilly country of central Bessarabia where mechanized forces would fight at a disadvantage. The extreme meagerness of the railway and road nets in the province would hinder an invader more than it would the defender withdrawing towards his main source of strength. If the aim of the invading army were to overcome the main forces of the defense, a more favorable route for it to follow would be to start from Soviet-held Polish Galicia and to advance southward through Bucovina and Moldavia towards Bucharest and the Danube. Along this line an advance would be favored by the relative density of railways and roads and by the greater availability of improvised landing fields. The occupation of Bessarabia alone would not bring Russia within striking distance of the Balkans and the Straits, for there is no direct connection between Bessarabia and the Dobruja except by river boats of shallow draught. The numerous branches of the Danube, with their swamps and floating islands, would be insuperable obstacles to an army on the march. Below the great Cernavoda bridge (on the Bucharest-Constanţa railway) there is no passage of the Danube practicable for large or heavily armed masses of soldiers. If the Red Army should attempt to occupy Bessarabia as a first step towards the domination of the Balkans and the Straits, an advance across the Dniester would probably be merely a diversion, while the main line of advance would be through Bucovina — that is, unless a Russian advance into the heart of Rumania and its oil fields should be categorically vetoed by the German General Staff, or unless Soviet ambitions should for some reason be sidetracked into the Bessarabian blind alley.

Since the Soviet annexation of eastern Poland the future of Bukovina has come to be bound up, as never before, with that of Bessarabia. Ceded by Turkey to Austria in 1775, Bucovina declared its union with Rumania in November 1918, after the hard-pressed Austrians had played with the idea of ceding

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the province to Skoropadsky's Ukrainian régime. In Bucovina the Rumanians have a relative majority of 44.5 percent (census of 1930), while the Ukrainians are 27.7 percent and the Russians 0.9 percent of the total. Classified according to mother tongue rather than nationality, the population is 41.1 percent Rumanian-speaking and 32.9 percent Ukrainian-speaking. In the two northern districts of Cernăuți (Czernowitz) and Storojinet, the Ukrainians form a relative majority, with 44.5 percent and 45.5 percent respectively.

Since the German-Soviet partition of Poland, it has been commonly assumed that if Russia or Germany, or both, should move against Rumania, Hungary and Bulgaria would join in to assert their claims, the former in Transylvania and the Banat, the latter in the Dobruja.[4] Rumania acquired northern Dobruja from Turkey in 1878 and the southern part, or Quadrilateral, from Bulgaria in 1913. In the Dobruja as a whole the Rumanians form a relative majority, with 44.2 percent of the population, as against 22.8 percent for the Bulgarians and 18.5 percent for the Turks. The Rumanians are a clear majority in the northern districts. But in the more recently acquired southern part, the district of Caliacra shows a relative majority of Bulgarians with 42.8 percent, plus 23 percent for the Turks; while in the Durostor district 34 percent are Bulgarians and 42.8 percent Turks. Since the Turks have been steadily emigrating to Turkey since the World War, the Rumanians have been increasingly hopeful of reversing these proportions by colonizing southern Dobruja; but their success thus far has been meager.

Various proposals have been put forward for effecting a permanent reconciliation between Rumania and Bulgaria. One that is privately favored by some Rumanians and many Bulgarians is the restoration of the southern Dobruja, or Quadrilateral, to Bulgaria. Indeed after the meeting of the Balkan Entente in early February 1940, and more particularly after the cordiality which marked the visit of M. Constantinescu, Rumanian Finance Minister, in Sofia later in that month, there were persistent rumors that the Rumanian Government had promised to return this area to Bulgaria at the close of the present war in Europe. Some such arrangement, if made on a sincere and lasting basis, might well relieve Rumania of concern for her southern flank; and her hold on the far larger and wealthier provinces she acquired in 1918 would be strengthened. On the other hand, some Rumanian leaders frankly fear that any territorial concessions made to one of their neighbors would only spur on the others to satisfy their ambitions at Rumania's expense; a settlement of Bulgaria's claim might thus hasten the very catastrophe which it was designed to forestall. In the long run, the fate of the Dobruja, of Bucovina and of Bessarabia will depend more upon shifts in the balance of forces between the Great Powers in Europe than upon the inherent strength of the Rumanian state and the astuteness of its government.

[4] For an authoritative analysis of the Hungarian-Rumanian frontier see Harold Temperley: 'How the Hungarian Frontiers Were Drawn," FOREIGN AFFAIRS, April 1928, p. 432–447.

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RECENT BOOKS ON INTERNATIONAL RELATIONS

By Robert Gale Woolbert

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General: Political, Military and Legal

THE FATE OF MAN. By H. G. WELLS. New York: Alliance, 1939, 263 p. $2.50.

Mr. Wells, a major prophet of our era, assumes the mantle of a Jeremiah in this most forceful book. Though briefer than most Wellsian pronouncements, "The Fate of Man" is encyclopædic in scope — perhaps one should say cosmic. After examining the present state of *homo sapiens*, Mr. Wells concludes that "either life is just beginning for mankind or it is drawing very rapidly to its close." He dwells on the latter.

OF HUMAN FREEDOM. By JACQUES BARZUN. Boston: Little, Brown, 1939, 334 p. $2.50.

Brilliant but occasionally baffling essays on the essence of liberty, individual and collective, in the modern world, by a young professor of history at Columbia University.

FREEDOM AND CULTURE. By JOHN DEWEY. New York: Putnam, 1939, 176 p. $2.00.

A group of papers by the dean of American philosophers.

THE WELLSPRINGS OF LIBERTY. By EDOUARD HERRIOT. New York: Funk, 1939, 279 p. $2.50.

An eloquent reminder to democratic countries of their debt to the French Revolution.

BARBARIANS, WITHIN AND WITHOUT. By LEONARD WOOLF. New York: Harcourt, 1939, 180 p. $1.50.

A tract on the future of civilization by a well known English publicist and editor.

JUGGERNAUT: THE PATH OF DICTATORSHIP. By ALBERT CARR. New York: Viking, 1939, 531 p. $3.00.

Mr. Carr divides dictators into three classes: "dynasts," such as Richelieu, Bismarck and King Carol; "revolutionaries," such as Cromwell, Bolívar and Stalin; and "crisis-men," such as the two Napoleons, Mussolini and Hitler. He analyzes seventeen of these dictators and the bases of their power, cogently but with too much emphasis on a pseudo-Marxian form of economic interpretation. The concluding chapters concern the future of dictatorship and "The Trend in America."

DICTATORSHIP: ITS HISTORY AND THEORY. By ALFRED COBBAN. New York: Scribner, 1939, 352 p. $3.75.

A more philosophical work than Mr. Carr's, but not as easy reading. Dr. Cobban finds the origins of the present-day dictatorship in the early modern theories on the sovereignty of the state. Since the French Revolution the state has come to include the nation, with the result that the totalitarian nation-state has become a Frankenstein that must at all costs be replaced by a form of political organization less all-powerful.

MODERN POLITICAL DOCTRINES. EDITED BY SIR ALFRED ZIMMERN. New York: Oxford University Press, 1939, 306 p. $2.50.

Some 43 representative pronouncements by statesmen and thinkers.

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A STUDY OF HISTORY. Volumes IV, V and VI. By Arnold J. Toynbee. New York: Oxford University Press, 1939, $23.00.

Contemporary historians are wont to remark that the accumulated mass of historical information — in museums, archives, libraries and elsewhere — has now become so stupendous that the task of synthesizing it is beyond the powers of a single intellect. As if to disprove this belief, Professor Toynbee embarked some years ago upon a gigantic work of interpreting some of the more significant trends and movements in world history. Three volumes were published several years ago; others are to follow. The present ones are devoted to "the disintegrations of civilizations."

THE HUNDREDTH YEAR. By Philip Guedalla. New York: Doubleday, 1939, 312 p. $3.00.

One of Britain's more brilliant historians and biographers paints vivid word pictures of the decisive events that occurred in Europe and America during 1936, which he holds to have been a decisive year in world history.

THE TWENTY YEARS' CRISIS, 1919–1939. By Edward Hallett Carr. New York: Macmillan, 1940, 313 p. $3.00.

In this very forthright book the professor of international politics at the University College of Wales, Aberystwyth, subjects various "Utopian" ideas, policies and institutions of the last two decades of international relations to a thoroughgoing and purportedly "realistic" analysis. Woodrow Wilson comes in for a particularly withering criticism. Readers will undoubtedly find Professor Carr's skepticism stimulating, though they may be unable to accept the particular brand of Utopia he himself has to offer.

FOREIGN POLICIES OF THE GREAT POWERS. Berkeley: University of California Press, 1939, 222 p. $2.00.

Seven lectures delivered at the University of California early in 1939.

WORLD FEDERATION. By Oscar Newfang. New York: Barnes and Noble, 1939, 238 p. $1.50.

The historical background of plans for international federation, together with concrete proposals for realizing it in the future. There are both English and French texts.

DEMOCRACY AND WORLD DOMINION. By E. D. Schoonmaker. New York: R. R. Smith, 1939, 331 p. $3.00.

This "book to keep America out of War" is an attack on the so-called "Democratic Powers" for not having practised democratic principles in their foreign policies, in particular toward small and backward countries.

INTERNATIONAL SECURITY. By Eduard Beneš and Others. Chicago: University of Chicago Press, 1939, 153 p. $2.00.

Lectures in which former President Beneš, Professor Coulbourn of Atlanta University and Dr. Feiler of the New School for Social Research in New York examine the causes for the failure of collective security.

THE PRESS. By H. Wickham Steed. New York: Penguin, 1939, 250 p. 25 cents.

A former editor of the London *Times* describes the functions of the press.

WORLD IN ARMS. By Major R. Ernest Dupuy. Harrisburg: Military Service Publishing Company, 1939, 103 p. $2.00.

A handy reference book, in the modern pictographic manner, summarizing the military and naval strength of some 75 countries.

WARFARE: THE RELATION OF WAR TO SOCIETY. By Ludwig Renn. New York: Oxford University Press, 1939, 276 p. $2.50.

The author, a German Communist who fought in the Spanish civil war, approaches

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his subject historically rather than theoretically. Many of his views on tactics will be found interesting and valuable.

SCIENCE AND MECHANISATION IN LAND WARFARE. By Donald Portway. New York: Chemical Publishing Company, 1939, 158 p. $2.50.
A non-technical manual intended primarily for the layman.

SEA POWER AND TODAY'S WAR. By Fletcher Pratt. New York: Harrison-Hilton Books, 1939, 237 p. $3.00.
Naval problems, both technical and political, presented in terms understandable by the general reader. This book was written before the outbreak of the present war.

THE BRITISH YEAR BOOK OF INTERNATIONAL LAW, 1939. New York: Oxford University Press, for the Royal Institute of International Affairs, 1939, 249 p. $5.50.
Six scholarly papers, eleven briefer notes, and numerous book reviews.

ASPECTS OF MODERN INTERNATIONAL LAW. By Sir John Fischer Williams. New York: Oxford University Press, 1939, 117 p. $1.75.
Eight essays of a general nature by an English authority.

REVISIONS OF THE TREATY OF VERSAILLES. By Waldo E. Stephens. New York: Columbia University Press, 1939, 285 p. $3.00.
A historico-legal monograph.

IL GOVERNO DI ALCUNI CONDOMINI. By Bruno Aglietti. Florence: Cya, 1939, 165 p. L. 20.
A legal study covering the Anglo-Egyptian Sudan, the New Hebrides and Tangier.

VÖLKERRECHTLICHE GROSSRAUMORDNUNG MIT INTERVENTIONSVERBOT FÜR RAUMFREMDE MÄCHTE. By Carl Schmitt. Berlin: Deutscher Rechtsverlag, 1939, 88 p.
The concept of "*Raum*" introduced into international law.

RESPONSIBILITY OF STATES FOR ACTS OF UNSUCCESSFUL INSURGENT GOVERNMENTS. By Haig Silvanie. New York: Columbia University Press, 1939, 223 p. $2.75.
The law as developed in recent years.

DOCUMENTS AND READINGS IN THE HISTORY OF EUROPE SINCE 1918. By Walter Consuelo Langsam. Philadelphia: Lippincott, 1939, 865 p. $3.75.
Some 245 items of source material arranged by country.

WSPÓLCZESNA EUROPA POLITYCZNA ZBIÓR UMÓW MIEDZYNARODOWYCH, 1919–1939. By Wladyslaw Kulski and Michal Potulicki. Warsaw: Księgarnia Powszechna, 1939, 610 p.
Postwar European history as exemplified in various treaties.

POLITICAL HANDBOOK OF THE WORLD, 1940. Edited by Walter H. Mallory. New York: Harper, for the Council on Foreign Relations, 1940, 209 p. $2.50.
This standard reference volume revised as of January 1, 1940, supplies the precise information necessary for an understanding of world events. It covers in convenient form the composition of parliaments, the programs and leaders of political parties and the policies and character of the press in every country.

General: Economic and Social

THE ECONOMIC CAUSES OF WAR. By Lionel Robbins. London: Cape, 1939, 124 p. 5/.
A masterpiece of sound analysis and clear exposition, by a professor of economics at

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the University of London. After criticizing (and discarding) the Marxian theory of imperialism, Professor Robbins tells what he regards as the true economic causes of war. He finds the anarchic political organization of the world to be the "root disease of our civilization," and concludes that national sovereignty in economic matters must be curbed and replaced by some sort of a federation.

THE ECONOMIC BASES OF PEACE. By Ernest Minor Patterson. New York: Whittlesey, 1939, 264 p. $2.50.

A rational discussion analyzing the causes of economic maladjustments and suggesting methods for correcting them, written before the outbreak of the present war by a well-known authority on economics and professor at the University of Pennsylvania.

MARXISM: AN AUTOPSY. By Henry Bamford Parkes. Boston: Houghton, 1939, 300 p. $3.00.

The failure of Marx's prophecies to materialize, exposed by one who would like to see the world return to a laissez-faire economy.

L'ÉCONOMIE DIRIGÉE EN RÉGIME COLLECTIVISTE. By F. A. von Hayek and Others. Paris: Médicis, 1939, 303 p. Fr. 36.

"Critical essays on the possibilities of Socialism" by five recognized authorities.

ECONOMISCHE ASPECTEN DER INTERNATIONALE MIGRATIE. By A. Winsemius. Haarlem: Bohn, 1939, 155 p.

Theoretical and practical aspects of the economic problems raised by international migrations. There is a nine-page summary in English.

YOU AND THE REFUGEE. By Norman Angell and Dorothy Frances Buxton. New York: Penguin, 1939, 279 p. 25 cents.

A plea for greater generosity on the part of the British people and government towards German refugees. The authors point out the advantages which these unfortunate people could bring to British economy.

YOUTH IN EUROPEAN LABOR CAMPS. By Kenneth Holland. Washington: American Council on Education, 1939, 303 p. $2.50.

An illustrated treatise based largely on first-hand investigation.

PEOPLE. By Henry Pratt Fairchild. New York: Holt, 1939, 315 p. $2.25.

Population problems made plain for the layman.

THE ECONOMICS OF A DECLINING POPULATION. By W. B. Reddaway. New York: Macmillan, 1939, 270 p. $2.50.

An English scholar's expert but not too technical discussion of the problems created in economic theory and social policy by the declining birth rate.

NÁRODNY NA ROZCESTÍ. By Otto Schmidt. Prague: Orbis, 1939, 249 p. Kč. 35.

A scholarly analysis of the population problems of Europe.

DIE ERNÄHRUNGSWIRTSCHAFT DER ERDE UND IHRE ZUKUNFTSAUSSICHTEN FÜR DIE MENSCHHEIT. By Karl Sapper. Stuttgart: Enke, 1939, 160 p. M. 8.

How man feeds himself from the sea and the soil, and how he fights scarcity.

THE CHURCH AND THE POLITICAL PROBLEM OF OUR DAY. By Karl Barth. New York: Scribner, 1939, 87 p. $1.00.

A challenging statement of the case of the church against the Nazis by one of the foremost Protestant theologians in the world today. Dr. Barth calls National Socialism the "new Islam" of which Hitler is the prophet.

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THE POPE'S PLAN FOR SOCIAL RECONSTRUCTION: A COMMENTARY ON THE SOCIAL ENCYCLICALS OF PIUS XI. By Charles P. Bruehl. New York: Devin-Adair, 1939, 356 p. $3.00.

A description of the late Pope's proposal for a corporate society.

HISTORIAN AND SCIENTIST: AN ESSAY ON THE NATURE OF HISTORY AND THE SOCIAL SCIENCES. By Gaetano Salvemini. Cambridge: Harvard University Press, 1939, 203 p. $1.75.

Sage and witty comments on the nature of history and the social sciences, by an eminent Italian (anti-Fascist) historian who now teaches at Harvard University.

THE SOCIAL FUNCTION OF SCIENCE. By J. D. Bernal. New York: Macmillan, 1939, 482 p. $3.50.

A brilliant young English physicist appraises the social and economic status of scientific research in the civilized world. He finds that the attitude towards the function of science is not the same under Fascism as in a capitalist or a socialist democracy. He believes that science can accomplish most under the planned economy of Socialism.

The First World War

LA TRIPLICE ALLEANZA: STORIA DIPLOMATICA, 1877–1912. By Luigi Salvatorelli. Milan: Istituto per gli Studi di Politica Internazionale, 1939, 478 p. L. 30.

A sound treatise by an outstanding Italian historian.

POLITICA ESTERA ITALIANA: ANTEGUERRA E GUERRA (1882–1917). By Leo Wollemborg. Rome: Edizioni Roma, 1938, 361 p. L. 18.

A sound treatise on Italian foreign policy, devoted in large part to the World War period. Until recently the author taught diplomatic history at the University of Rome.

WORDS THAT WON THE WAR. By James R. Mock and Cedric Larson. Princeton: Princeton University Press, 1939, 372 p. $3.75.

This scholarly study is based on a careful examination of the papers of the Creel "Committee on Public Information." What the authors say about the mobilization of American opinion then will be interesting to those who are asking what our participation in another such conflict would mean in terms of regimenting thought.

THE GERMAN-AMERICANS IN POLITICS, 1914–1917. By Clifton James Child. Madison: University of Wisconsin Press, 1939, 193 p. $2.00.

An historical monograph, by an English scholar, on the wartime rôle played by German-Americans, and particularly the National German-American Alliance.

THE CRUISE OF THE RAIDER "WOLF." By Roy Alexander. New Haven: Yale University Press, 1939, 270 p. $2.75.

The stirring saga of a German commerce destroyer, told by a British captive on it.

CRUISERS IN BATTLE. By Hector C. Bywater. London: Constable, 1939, 276 p. 10/.

Dramatic cruiser fights of the last war described by Britain's foremost naval commentator.

LA GRANDE GUERRA SUL FRONTE ORIENTALE DAL BALTICO AL MAR NERO. By Lieutenant-Colonel Cesare Reisoli. Bologna: Zanichelli, 1939, 555 p. L. 30.

With its wealth of technical detail — as well as its good index, bibliography and maps — this book will appeal particularly to the military expert.

LA MARINA ITALIANA NELLA GRANDE GUERRA. VOLUMES V AND VI: LA LOTTA CONTRO IL SOMMERGIBILE. Florence: Vallecchi, 1939, L. 30.

These volumes were prepared by the Historical Branch in the Ministry of Marine.

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CONRAD VON HÖTZENDORF: SOLDAT UND MENSCH. By August Urbanski von Ostrymiecz. Graz: Moser, 1939, 364 p. M. 6.30.

The career of the Austrian commander recounted by one of his colleagues. Though apparently based in part on Conrad's papers, the book lacks notes or a bibliography.

The Second World War

ENVIRONMENT AND CONFLICT IN EUROPE. New York: American Geographical Society, 1939, 26 p. 18 maps, $1.00.

In addition to a large map showing the physiography and communication systems of most of Europe, there are 17 smaller maps indicating density of population, languages, etc. There is a list of source materials used in preparing the maps and an index.

THE NEW WORLD ORDER. By H. G. Wells. New York: Knopf, 1940, 145 p. $1.50.

Mr. Wells decides, after analyzing the various forces that are disrupting Western civilization, that the "establishment of a progressive world socialism in which the freedoms, health, and happiness of every individual are protected by a universal law based on a redeclaration of the rights of man, and wherein there is the utmost liberty of thought, criticism, and suggestion, is the plain, rational objective before us now." He believes that this state of scientific and planned collectivism will follow the "revolution" which he predicts will sweep all countries, whether victorious or defeated, after the war. Mr. Wells is very skeptical about federation as outlined in Clarence Streit's "Union Now," holding it to be vague and "hopelessly optimistic."

WHY BRITAIN IS AT WAR. By Harold Nicolson. New York: Penguin, 1939, 160 p. 25 cents.

A well-known English writer and National Labor M. P. tells what England is fighting for and makes a plea that victory not be spoiled this time by a bad peace. The treatment of the origins of the present war and of Britain's objectives in fighting it, though necessarily brief, is lucid and may be said to reflect the preponderant British official attitude at the present time.

WAR AIMS. By G. D. H. Cole. London: The New Statesman and Nation, 1939, 56 p. 6d.

As a Socialist Mr. Cole is not at all satisfied with Mr. Chamberlain's negative war aims. It is not enough, he holds, to be *against* Hitlerism; Britain must also be *for* a postwar reorganization of Europe and its colonies along federal and truly democratic lines. One of the prerequisites for this, he maintains, is the creation of a democratically-minded government in Britain.

OUR WAR AIMS. By Wickham Steed. London: Secker and Warburg, 1939, 215 p. 3/6.

The general thesis underlying this book roughly parallels that of Mr. Cole's pamphlet. Mr. Steed wants a clearer statement of Britain's war aims and, after the war, some sort of a federation of free peoples in which the national states have surrendered some of their sovereignty. After examining the rise and nature of Hitlerism at some length he concludes that it cannot be obliterated merely by removing Hitler. The problem of German freedom, he says, can be solved only by the German people themselves.

THE BRITISH CASE. By Lord Lloyd. New York: Macmillan, 1940, 93 p. 50 cents.

An eloquent, frequently epigrammatic, but not always realistic tract explaining Britain's high ethical and political objectives in the war. The true dividing line in Europe, Lord Lloyd holds, is not between democratic and non-democratic states, but between those which respect the independence of other nations and those which do not. In places he oversimplifies history; and his remarks on Mussolini's Fascist state, for example, indicate considerable naïveté.

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The United States

THE AMERICAN ENTENTE. By R. B. Mowat. New York: Longmans, 1939, 286 p. $2.50.

A not too sentimental history of the relations, cultural as well as political, between the two great English-speaking nations.

KEEP AMERICA OUT OF WAR: A PROGRAM. By Norman Thomas and Bertram D. Wolfe. New York: Stokes, 1939, 184 p. $1.50.

This little book will seem to many to proceed from debatable premises.

DOCUMENTS ON AMERICAN FOREIGN RELATIONS, JANUARY 1938–JUNE 1939. Edited by S. Shepard Jones and Denys P. Myers. Boston: World Peace Foundation, 1939, 582 p. $3.75.

This is the first volume in a new series being prepared by the Executive Director and the Director of Research of the World Peace Foundation. In the future it is planned to issue similar books each autumn. The series will fill a real need. The documents, of which there are some 300 in the present volume, are arranged by subject, and there are several small statistical appendices. An index would be useful in subsequent issues.

AMERICA'S CHANCE OF PEACE. By Duncan Aikman and Blair Bolles. New York: Doubleday, 1939, 161 p. $1.00.

A concise, journalistic appraisal of the present state of American preparedness: military, diplomatic, financial, industrial and psychological.

REORGANIZATION OF THE NATIONAL GOVERNMENT. By Lewis Meriam and L. F. Schmeckebier. Washington: Brookings Institution, 1939, 272 p. $2.00.

A careful analysis of the problems connected with the reorganization of the executive.

THE CONQUEST OF A CONTINENT. By Chase S. and Stella Brunt Osborn. Poulan (Georgia): Authors, 1939, 190 p. $3.00.

A history and description of the boundary between the United States and Canada, by a former Governor of Michigan and his daughter.

THE LIVING TRADITION. By Simeon Strunsky. New York: Doubleday, 1939, 454 p. $3.50.

In this very instructive and readable book the anonymous author of the "Topics of the Times," appearing on the editorial page of *The New York Times*, stresses the permanent characteristics of the American people that really make this country what it is.

THE CHANGING WEST. By William Allen White. New York: Macmillan, 1939, 144 p. $1.50.

A famous editor philosophizes on the past, present and future of the West.

WE WHO BUILT AMERICA: THE SAGA OF THE IMMIGRANT. By Carl Wittke. New York: Prentice-Hall, 1939, 547 p. $5.00.

A scholarly history of immigration into the United States — causes, methods, results — by a professor of history at Oberlin College.

AN ECONOMIC CONSTITUTION FOR DEMOCRACY. By George Soule. New Haven: Yale University Press, 1939, 101 p. $1.50.

Lectures delivered at Yale University in January 1939 in which one of our more unorthodox economists articulates America's political and economic problems.

FINANCIAL QUESTIONS IN UNITED STATES FOREIGN POLICY. By James W. Gantenbein. New York: Columbia University Press, 1939, 264 p. $3.25.

Expert analyses of current problems such as foreign exchange instability, intergovernmental debts, etc.

THE TREASURY AND MONETARY POLICY, 1933–1938. By G. Griffith Johnson, Jr. Cambridge: Harvard University Press, 1939, 230 p. $2.75.

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A scholarly monograph in which the author criticizes several of the New Deal's monetary policies, though in principle he does not reject the use of managed currencies.

STRATEGIC MINERAL SUPPLIES. By G. A. Roush. New York: McGraw-Hill, 1939, 485 p. $5.00.

Twelve minerals of which the American supply is deficient thoroughly discussed from both the military and the commercial angles.

GOLDEN AVALANCHE. By Frank D. Graham and Charles R. Whittlesey. Princeton: Princeton University Press, 1939, 233 p. $2.50.

Two professors at Princeton University, who first exposed their joint views in Foreign Affairs in April 1939, hold that our policy of buying unlimited quantities of gold at a fixed price and then sterilizing it is responsible for the influx of billions of dollars' worth of the unwanted metal. Redistribution will not come about automatically but only by adoption of a new policy, while loaning money abroad would be only a temporary remedy. They favor abandoning the fixed price, and suggest that the flow of gold in and out of this country might be controlled by an import tax and an export bounty. Conservative students of the problem may not agree with their conclusions, but will recognize the book as the ablest general treatment of the subject now available.

THE LIFE AND TIMES OF WILLIAM HOWARD TAFT. By Henry F. Pringle. New York: Farrar, 1939, 2 v. $7.50.

The author of an excellent biography of Theodore Roosevelt now gives us an authoritative portrait of the only man ever to hold both of the two highest offices in the United States. Mr. Pringle had access to the voluminous Taft papers, and it is doubtful if in the future much will be added to his portrait of Taft.

INCREDIBLE ERA. By Samuel Hopkins Adams. Boston: Houghton, 1939, 457 p. $3.00.

A muckraking story of President Harding and his ill-starred administration.

JOURNAL AS AMBASSADOR TO GREAT BRITAIN. By Charles G. Dawes. New York: Macmillan, 1939, 442 p. $5.00.

Mr. Dawes served in London from April 1929 to February 1932, a critical period. He witnessed — and here reports — many stirring events. Students will find that his diary is a good source book for impressions covering such matters as the 1930 Naval Limitation Conference, the downfall of the Labor Government, the Manchurian crisis, etc.

SEA DUTY: THE MEMOIRS OF A FIGHTING ADMIRAL. By Yates Stirling. New York: Putnam, 1939, 309 p. $3.00.

The eventful autobiography of a retired admiral in the American Navy who has much to say about our naval administration and policies.

I CONFESS: THE TRUTH ABOUT AMERICAN COMMUNISM. By Benjamin Gitlow. New York: Dutton, 1940, 611 p. $3.75.

One of the leaders of the Communist Party in the United States reveals its history in great detail. Though this is the book of an apostate, it has the ring of sincerity.

BIBLIOGRAPHY OF THE ISLAND OF GUAM. Edited by Charles F. Reid and Others. New York: Wilson, 1939, 102 p. $1.50.

Most of the items in this exhaustive list have brief summaries or descriptions. This is the first of a series planned to cover all American colonial possessions.

Western Europe

FROM MUNICH TO DANZIG. By R. W. Seton-Watson. London: Methuen, 1939, 287 p. 6/.

A revised and greatly expanded edition of "Munich and the Dictators."

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EUROPE: VERSAILLES TO WARSAW. By Ronald Stuart Kain. New York: Wilson, 1939, 456 p. $1.25.

Succinct historical summaries for each country, with many quotations.

DE LA FRANCE D'AVANT GUERRE À LA FRANCE D'AUJOURD'HUI. Edited by Charles Rist and Gaëtan Pirou. Paris: Sirey, 1939, 594 p. Fr. 80.

This massive coöperative work, crammed with statistics, compares French economic life in 1914 with that in 1939. It is edited by two of France's foremost economists.

VNESHNYAYA I VNUTRENNYAYA POLITIKA FRANTSII. By P. Gel'bras. Moscow: Izdatelstvo Politicheskoy Literatury, 1939, 175 p. 50 cents.

A Soviet survey of France's domestic and foreign policy.

UNE INVASION EST-ELLE ENCORE POSSIBLE? By General Chauvineau. Paris: Berger-Levrault, 1939, 218 p. Fr. 30.

The author is principally concerned about the defense of France's land frontiers during the early days of a war. He favors a continuous front and puts his reliance on the defensive. His treatment of the navy and air force is deficient.

DER FRANZÖSISCHE NATIONALISMUS. By Karl Heinz Bremer. Berlin: Deutscher Rechtsverlag, 1939, 137 p.

A well-written tract in which French nationalism is criticized as too bourgeois, too rationalistic and too imbued with the international ideal.

THE RISE OF INTEGRAL NATIONALISM IN FRANCE. By William Curt Buthman. New York: Columbia University Press, 1939, 355 p. $4.00.

A painstaking examination into the ideas and activities of French Nationalists, particularly Charles Maurras, Royalist editor and agitator.

PETITE HISTOIRE PARLEMENTAIRE BELGE. By Pierre Daye. Paris: Éditions Albert, 1939, 236 p. Fr. 15.

An unfriendly review of Belgian parliamentary history by a former Rexist deputy.

MANUEL HISTORIQUE DE LA QUESTION DU SLESVIG, 1906–1938. By Franz de Jessen. Copenhagen: Reitzel, 1939, 902 p.

An exhaustive historical work, replete with documents, maps and statistical tables.

DENMARK, A SOCIAL LABORATORY. By Peter Manniche. New York: Oxford University Press, 1939, 216 p. $1.50.

Practical information on the operation of Danish agriculture, education, social legislation, coöperative institutions, etc.

PROGRESSIVE NORWAY. By Georgine Ritland Harris. Washington: Daylion, 1939, 256 p. $2.50.

Facts about the country, the people and their government.

THE NEW SWEDEN: A VINDICATION OF DEMOCRACY. By Bjarne Braatoy. New York: Nelson, 1939, 172 p. 75 cents.

A reliable outline of the country's economic and political problems.

GREENLAND JOURNEY. Edited by Else Wegener. London: Blackie, 1939, 295 p. 12/6.

An illustrated account of Alfred Wegener's expedition (1930–31) into the virtually unknown central part of Greenland.

PROLOGUE TO WAR. By Elizabeth Wiskemann. New York: Oxford University Press, 1940, 332 p. $3.00.

A factual, authoritative investigation into the techniques of non-belligerent aggression employed by the Nazis to further their aims in southern and eastern Europe, by the author of "Czechs and Germans." Though this book was finished before the "un-

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declared war" became a declared one, its value has in no way been impaired, for the Nazi methods which it analyzes are still being used in neutral countries.

THE ATTACK FROM WITHIN. By F. Elwyn Jones. New York: Penguin, 1939, 213 p. 25 cents.

How Hitler uses the Trojan Horse technique of aggression.

HITLER'S GERMANY: THE NAZI BACKGROUND TO WAR. By Karl Loewenstein. New York: Macmillan, 1939, 176 p. $1.25.

A brief but realistic survey, by an émigré now teaching at Amherst College, who disagrees with those who foresee a conflict between Hitler and the generals or an early revolt on the part of the German people.

ONE MAN AGAINST EUROPE. By Konrad Heiden. New York: Penguin, 1939, 279 p. 25 cents.

One of the better books on Hitler's foreign policy, by a former editor of the *Frankfurter Zeitung* and author of "The History of National Socialism."

BATTLE AGAINST TIME. By Heinrich Hauser. New York: Scribner, 1939, 386 p. $3.00.

A sombre picture of the Germany of 1939 in its economic, social and psychological aspects, carefully drawn by a German (Aryan) novelist, who returned to his native country from a self-imposed exile for several months last year. Mr. Hauser is best when reporting, less convincing when hoping for a return of justice and liberty to Germany.

L'AFFAIRE RÖHM-HITLER. By Jean François. Paris: Gallimard, 1939, 245 p. Fr. 22.

An account of the purge of June 30, 1934, which adds little to our knowledge.

DEUTSCHLANDS KRIEGSBEREITSCHAFT UND KRIEGSAUSSICHTEN? By Miles. New York: Europa Verlag, 1939, 150 p. $1.25.

German sources are quoted to show that the Nazis cannot win a war.

FROM NAZI SOURCES: WHY HITLER CAN'T WIN. By Fritz Sternberg. New York: Alliance, 1939, 208 p. $1.75.

Germany's military and economic state as revealed by German publications.

THE VAMPIRE ECONOMY. By Guenter Reimann. New York: Vanguard Press, 1939, 350 p. $3.00.

A good, factual description of how German business carries on under all the disabilities imposed by Nazi imperialism.

GERMAN FINANCIAL POLICIES, 1932–1939. By Kenyon E. Poole. Cambridge: Harvard University Press, 1939, 276 p. $3.50.

A scholarly essay by an assistant professor of economics at Brown University.

HITLER CALLS THIS *LIVING!* By a Member of the German Freedom Party. London: Sidgwick and Jackson, 1939, 226 p. 3/6.

Uncensored information from Germany on the economic state of the people.

WIRTSCHAFTSPOLITIK AUS NATIONALSOZIALISTISCHEM KRAFTQUELL. By Rudolf Brinkmann. Jena: Fischer, 1939, 224 p. M. 4.

Speeches by the late Secretary of State for Economics.

KATHOLISCHE SOLIDARITÄT UND VOLKSGEMEINSCHAFT. By Anton Baehr. Berlin: Deutscher Rechtsverlag, 1939, 283 p.

A clear statement of the origins, philosophy and objectives of Nazi paganism.

THE FAILURE OF CONSTITUTIONAL EMERGENCY POWERS UNDER THE GERMAN REPUBLIC. By Frederick Mundell Watkins. Cambridge: Harvard University Press, 1939, 148 p. $2.00.

A case study in a vital problem of contemporary political science.

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DAS DRITTE REICH IM AUFBAU: Volumes I, II and III. Edited by Paul Meier-Benneckenstein. Berlin: Junker und Dünnhaupt, 1939, M. 42.

The first three volumes of a comprehensive coöperative treatise on the doctrines, political organization, social and economic life, and foreign policy of the Nazi state. Herr Goebbels contributes the introduction.

KATASTROPHENWIRTSCHAFT: GEBURT UND ENDE ÖSTERREICHS, 1918–1938. By Erich Hans Wolf. Zurich: Europa Verlag, 1939, 146 p. Swiss Fr. 4.20.

Austria's postwar financial history reviewed by one who believes that inflation and a managed currency might have saved the country.

FASCIST ITALY. By William Ebenstein. New York: American Book Company, 1939, 310 p. $2.50.

An up-to-date, informed, and on the whole well-balanced description of Fascist theory and practice — and of the differences between the two.

THE OFFICIAL LIFE OF BENITO MUSSOLINI. By Giorgio Pini. London: Hutchinson, 1939, 270 p. 8/6.

A quite uncritical biography, translated by Luigi Villari.

LE ELABORAZIONI DELLA DOTTRINA POLITICA NAZIONALE FRA L'UNITÀ' E L'INTERVENTO (1870–1914). By Paola Maria Arcari. Florence: Marzocco, 1939, 3 v. L. 45.

A diligent and thoroughly documented investigation into the development of political ideas, particularly those of the Nationalists and their predecessors.

PROCÈS DE L'ITALIE. By Hubert de Lagarde. Paris: Tisné, 1939, 184 p. Fr. 12.

An anti-Italian tract, reciting all of Italy's faults except Fascism's destruction of Italian liberty.

ITALIA E FRANCIA DAVANTI ALLA STORIA. By Ettore Rota. Milan: Istituto per gli Studi di Politica Internazionale, 1939, 362 p. L. 15.

Instead of being the friendly "Latin sister" who helps Italy, France has always been an ambitious, expansionist Power intent on preventing the creation of a strong Italy.

NIZZA E L'ITALIA. By Ermanno Amicucci. Milan: Mondadori, 1939, 306 p. L. 15.

A review of the historical bond between Nice and Italy.

STORIA DELLA CORSICA ITALIANA. By Gioacchino Volpe. Milan: Istituto per gli Studi di Politica Internazionale, 1939, 292 p. L. 15.

A study designed to show the Italian character of Corsica, by the Secretary of the Royal Academy of Italy.

DIE RÖMISCHEN PROTOKOLLE ALS WIRTSCHAFTSPOLITISCHES PROBLEM. By Werner Schumann. Leipzig: Harrassowitz, 1939, 198 p. M. 6.

A thoroughgoing analysis of the economic consequences of the Rome Protocols entered into by Italy, Austria and Hungary in March 1934. In addition to the text there is a separate folder containing 14 large-format statistical tables.

IN PLACE OF SPLENDOR. By Constancia de la Mora. New York: Harcourt, 1939, 433 p. $3.00.

The intensely moving personal narrative of a Spanish aristocrat who served as head of the foreign press service of the Loyalist Government.

AMERICA LOOKS AT SPAIN. By Merwin K. Hart. New York: Kenedy, 1939, 268 p. $2.50.

Undiscriminating praise of Franco and condemnation of the Loyalists by an American propagandist for authoritarian methods, both here and abroad.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

LA GUERRA EN EL MAR. By R. and J. A. Gimenez Arnau. Saragossa: "Heraldo de Aragon," 1938, 253 p.

A history of the naval operations in the first part of the civil war.

GUERRA SANTA. By A. de Castro Albarran. Burgos: Española, 1938, 249 p. Ptas. 7.

This book, subtitled "Catholic Thought on the Spanish War" and prefaced by the Spanish Primate, Cardinal Gomá y Tomas, presents an elaborate justification for the Church's partisanship in the war.

EL SENTIDO DE LA GUERRA ESPAÑOLA. By Felix G. Olmedo. Bilbao: El Mensajero del Corazón de Jesus, 1938, 228 p.

This book, published with ecclesiastical sanction, presents the Spanish Rebels as defenders of religion and the enemies of liberalism.

THE GLORY OF MARTYRED SPAIN. By Luis Carreras. London: Burns, Oates, 1939, 201 p. 6/.

Data on the persecution of the Church in Loyalist Spain, by a Spanish priest.

MEN IN BATTLE: A STORY OF AMERICANS IN SPAIN. By Alvah Bessie. New York: Scribner, 1939, 354 p. $2.50.

A graphic, eyewitness narrative, conversational rather than systematic, about the American volunteers who fought in the Lincoln Battalion for the Loyalist cause.

EL OTRO MUNDO. By J. Miquelarena. Burgos: Imprenta Aldecoa, 1938, 206 p.

The experiences of a Spanish journalist who took refuge in a foreign embassy in Madrid when the war broke out and later got to Rebel Spain. He is today one of Franco's leading newspapermen.

SPAGNA ECONOMICA: OGGI E DOMANI. By Ettore Latronico. Milan: Istituto per gli Studi di Politica Internazionale, 1938, 201 p. L. 12.

A factual description of Spain's resources, industries and commerce.

Eastern Europe

IN STALIN'S SECRET SERVICE. By W. G. Krivitsky. New York: Harper, 1939, 273 p. $3.00.

This is not an easy book to appraise. The author claims to have been a high official in the Soviet secret service who — only at the end of 1937 — decided to break with Stalin for personal reasons. His words are those of a renegade and his mentality that of a master spy. Under these circumstances it is probably surprising that his account is as credible as it appears to be. On the whole, Krivitsky (whose original name was Samuel Ginsburg and on whose rank of "general" doubt has been cast) seems much more reliable in reporting events which he observed at close hand than in discussing those he merely heard about at second hand, such as Soviet intervention in Spain.

RUSSIA — DEMOCRACY OR DICTATORSHIP? By Norman Thomas and Joel Seidman. New York: League for Industrial Democracy, 1939, 71 p. 75 cents.

A candid and unflattering picture, written from the Socialist point of view.

AN OUTLINE OF MODERN RUSSIAN HISTORIOGRAPHY. By Anatole G. Mazour. Berkeley: University of California Press, 1939, 130 p. $1.25.

A scholarly critique.

ITOGI VYPOLNENIYA VTOROGO PYATILETNEGO PLANA PAZVITIYA NARODNOGO KHOZYAYSTVA SOYUZA SSR. Moscow: Gosplanizdat, 1939, 158 p. 60 cents.

An official statement concerning the fulfilment of the Second Five-Year Plan.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

SOVIET HOUSING LAW. By John N. Hazard. New Haven: Yale University Press, 1939, 178 p. $2.50.

A technical study with social as well as legal implications, by an American scholar who attended the Moscow Juridical Institute for three years.

LA NATIONALISATION DES BANQUES EN RUSSIE ET SES EFFETS À L'ÉTRANGER. By André Sollogoub. Paris: Sirey, 1939, 260 p. Fr. 40.

A sound treatise, particularly full as regards repercussions in France.

OVER THE DIVIDE. By Victor A. Yakhontoff. New York: Coward-McCann, 1939, 301 p. $3.00.

The autobiography of a Russian who passed from the status of Tsarist general "over the divide" into open support of the Soviet régime.

IZBRANNYE STATYI I RECHI, 1917–1919. By Ya. M. Sverdlov. Moscow: Izdatelstvo Politicheskoy Literatury, 1939, 190 p. 80 cents.

Selected articles and speeches by an early leader of the Bolshevist Party.

UKRAINE AND ITS PEOPLE. By H. P. Vowles. London: Chambers, 1939, 224 p. 5/.

The history of the Ukrainian people reviewed in order to prove their right to independent nationhood.

LIFE ON AN ICE FLOE. By Ivan Papanin. New York: Messner, 1939, 300 p. $2.50.

An illustrated account, in the form of a diary, of the remarkable Soviet scientific expedition to the North Pole in 1937–38, by its leader.

DIE STAATSWERDUNG LETTLANDS UND DAS BALTISCHE DEUTSCHTUM. By Hans von Rimscha. Riga: Plates, 1939, 175 p. M. 2.30.

A political history of the German movement in Latvia from Brest-Litovsk to Versailles, informative but partial to German Nationalist aims.

WORLD WITHOUT END. By Stoyan Pribichevich. New York: Reynal, 1939, 408 p. $3.50.

An absorbing if discursive promenade through the history, politics, folklore and culture of the peoples in the Balkan peninsula, by a Jugoslav-American son of a well-known political leader of the Serbs in Croatia.

DONAURAUM, VÖLKERSCHICKSAL. By Walter Hoffmann. Leipzig: Meiner, 1939, 178 p. M. 4.80.

This work includes a comprehensive survey of events since the Munich Agreement.

INVITATION TO ROUMANIA. By Derek Patmore. New York: Macmillan, 1939, 157 p. $3.00.

A pleasant picture of the country, the people and their problems, as seen by an Englishman who is impressed with the historical function of the feudal aristocracy.

DIE JUDENFRAGE IN RUMÄNIEN. By Hans Schuster. Leipzig: Meiner, 1939, 244 p. M. 5.70.

An historical study stressing the rôle played by Jews in Rumanian business.

THE HUNGARIAN ECONOMIC YEAR BOOK, 1939. Edited by Gustav Gratz. New York: Columbia University Press, 1940, 175 p. $1.25.

A useful manual on Hungary's commerce, industry, finance and agriculture.

ALBANIE. By V. Červený and Others. Prague: Orbis, 1939, 154 p. Kč. 20.

The Albania of Zog examined in its cultural, geographic and political aspects.

The British Commonwealth of Nations

ENGLAND AND THE CONTINENT. By Carlo Scarfoglio. New York: Fortuny's, 1939, 338 p. $2.75.

A diatribe against what the author holds is the selfish and sanctimonious way England has exploited the continental countries for her own imperialist advantage.

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ELECTRONIC REPRODUCTION PROHIBITED

PROBLEME BRITISCHER REICHS- UND AUSSENPOLITIK. Edited by the Hochschule für Politik. Berlin: Junker und Dünnhaupt, 1939, 174 p. M. 7.
Eight essays on British policy since the time of Bismarck.

UNDER THE BRITISH UMBRELLA. By Helen P. Kirkpatrick. New York: Scribner, 1939, 358 p. $2.75.
Friendly yet critical animadversions on British life and politics by an American journalist, formerly director of the Geneva office of the Foreign Policy Association.

ENGLAND'S MONEY LORDS. By Simon Haxey. New York: Harrison-Hilton Books, 1939, 263 p. $2.50.
A careful inquiry into the economic power exercised by Conservative M. P.'s and into their family relationship with the peerage. The book is crammed with facts, tables and diagrams showing the tie-up between titles, wealth and politics.

BRITAIN'S JEWISH PROBLEM. By M. G. Murchin. London: Hurst, 1939, 223 p. 5/.
This anonymous work, published before the war allegedly by a "Fleet Street journalist," attacks the Jewish refugees in Britain, largely by innuendo, and praises Hitler.

NEVILLE CHAMBERLAIN: MAN OF PEACE. By Derek Walker-Smith. London: Hale, 1940, 413 p. 15/.
A flattering portrait of the man and a not too critical appraisal of the statesman.

WE MUST BE FREE. By Leslie Roberts. New York: Macmillan, 1940, 248 p. $3.25.
A survey of present-day Canadian political thought, institutions and practices by a thoroughgoing liberal who believes that freedom is on the decline in Canada. The book reveals a keen analytical sense but is weak on constructive suggestions.

DICTATORSHIP IN NEWFOUNDLAND. By T. Lodge. London: Cassell, 1939, 273 p. 7/6.
Mr. Lodge, a member of the commission appointed in 1933 to govern Newfoundland, describes how that government has functioned, analyzes the underlying causes — fundamentally economic — for the island's troubles, and proposes remedies.

THE INDIAN STATES AND THE FEDERATION. By M. K. Varadarajan. New York: Oxford University Press, 1938, 284 p. $4.50.
A solid treatise by an Indian who favors Federation.

NEHRU: THE RISING STAR OF INDIA. By Anup Singh. New York: Day, 1939, 168 p. $1.75.
A friendly portrait of India's most powerful political figure after Gandhi.

CEYLON. By Lord Holden. New York: Macmillan, 1939, 315 p. $3.00.
An excellent guide to the island's history and scenery.

The Near East

LE PARTAGE DU PROCHE-ORIENT. By Jean Pichon. Paris: Peyronnet, 1938, 382 p. Fr. 20.
A critical history of power politics in the Near East since 1914.

DER ISLAM VOR DEN TOREN. By Thomas Reichardt. Leipzig: List, 1939, 344 p. M. 7.80.
A description of the Pan Islamic movement and of its alleged totalitarian sympathies.

SYRIA AS IT IS. By Helen Cameron Gordon. London: Methuen, 1939, 211 p. 10/6.
Descriptive pages on the country and its many diverse peoples.

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ELECTRONIC REPRODUCTION PROHIBITED

PALESTINA E SIONISMO. By Vittore Querèl. Milan: Bocca, 1939, 189 p. L. 15.
Palestine viewed as a "Russo-Zionist-Internationalist menace."

Africa

GERMANY'S CLAIMS TO COLONIES. By F. S. Joelson. London: Hurst, 1939, 343 p. 8/6.
The founder of *East Africa and Rhodesia*, long a student of Germany's colonial record and claims, concludes that the interests of France and Britain and of the Africans themselves demand that Germany continue to be deprived of colonies.

THE GERMAN COLONIAL CLAIM. By L. S. Amery. London: Chambers, 1939, 199 p. 7/6.
A briefer but politically more significant argument along similar lines, by a former Secretary of State for Colonies.

AFRIQUE NOIRE TERRE INQUIÈTE: GARDERONS-NOUS NOS COLONIES D'AFRIQUE? By Marcel Homet. Paris: Peyronnet, 1938, 286 p. Fr. 18.
An informal and critical report on economic and administrative affairs in France's colonies in West and Equatorial Africa and in the French mandate of Cameroon.

ETHIOPIA: AN EMPIRE IN THE MAKING. By Ferdinando Quaranta. London: King, 1939, 120 p. 7/6.
An outline of Italian achievements in Ethiopia by a Fascist official.

ETIOPIA CRISTIANA. By P. Giulio Barsotti. Milan: Àncora, 1939, 299 p. L. 6.
Chapters on various religious problems in Ethiopia, by a Catholic missionary.

The Far East

NORTHEASTERN ASIA: A SELECTED BIBLIOGRAPHY. By Robert J. Kerner. Berkeley: University of California Press, 1939, 2 v. $26.00.
This invaluable reference work contains some 14,000 titles in many languages, including Russian, Chinese, Korean and Japanese. The titles are given in the original script and those not in the better-known languages are also given in translation. The book is printed by offset process from typewritten copy. There is a subject index.

I. P. R. INQUIRY SERIES. By Various Authors. New York: Institute of Pacific Relations, 1939, 7 v.
These memoranda on Far East problems contain background material that is valuable, though of course in varying degree. The following titles have thus far been published: "The Existing Legal Situation as It Relates to the Conflict in the Far East," by Quincy Wright (129 p. $1.00); "The Problem of Japanese Trade Expansion in the Post-War Situation," by Miriam S. Farley (93 p. 75 cents); "German Interests and Policies in the Far East," by Kurt Bloch (75 p. 75 cents); "American Policy in the Far East, 1931–1940," by T. A. Bisson (146 p. $1.25); "Japanese Industry: Its Recent Development and Present Condition," by G. C. Allen (124 p. $1.00); "New Zealand's Interests and Policies in the Far East," by Ian F. G. Milner (131 p. $1.00); "Australia's Interests and Policies in the Far East," by Jack Shepherd (212 p. $1.75).

THE ECONOMIC STRENGTH OF JAPAN. By Isoshi Asahi. New York: Stechert, 1939, 324 p. $3.00.
This analysis of the transformation taking place in Japanese economy is accompanied by an imposing array of statistical material. The author, formerly commercial attaché in London, concludes that Japan can — and will — carry out the self-imposed task of "rebuilding China and East Asia," by herself if necessary.

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A SCIENTIST IN TARTARY: FROM THE HOANG-HO TO THE INDUS. By Wilhelm Filchner. London: Faber, 1939, 391 p. 21/.

An adventurous journey through China's little-known hinterland.

THE PHILIPPINE PROBLEM. By Major William H. Anderson. New York: Putnam, 1939, 338 p. $3.00.

The author, who went to the Philippines with the Army in 1898, has spent the last forty years there as a businessman. His viewpoint, different from that usual in books on the islands, is summarized in his description of American policy as a "hodgepodge of missionary ardor, altruistic motives, irresolute nationalism and corroding paternalism." This book would have profited from more careful editing and an index.

Latin America

AMERICA FACES SOUTH. By T. R. Ybarra. New York: Dodd, 1939, 321 p. $3.00.

A breezy, informative conspectus on the current economic and political state of the South American republics and of their relations with Europe and the United States. The author is better equipped than most North American journalists to understand and interpret Latin America, for his father was a Venezuelan.

HANDBOOK OF LATIN AMERICAN STUDIES, 1938. Edited by Lewis Hanke and Raul d'Eça. Cambridge: Harvard University Press, 1939, 469 p. $4.00.

An exhaustive guide to material published on Latin America in 1938.

EN DIPLOMACIA. By Pedro Erasmo Callorda. Lima: Author, 1939, 210 p.

Papers and addresses on Pan American questions by an Ecuadorean diplomat.

THE RECONQUEST OF MEXICO. By Nathaniel and Sylvia Weyl. New York: Oxford University Press, 1939, 394 p. $3.00.

A biography of President Cárdenas, which his opponents will regard as a skillful whitewash and his friends a faithful, if occasionally critical, portrait.

MEXICO REBORN. By Verna C. Millan. Boston: Houghton, 1939, 312 p. $3.00.

An American who married a Mexican reports on the political, cultural and social changes going on in her adopted country, with more sympathy than discernment.

ANOTHER MEXICO. By Graham Greene. New York: Viking, 1939, 279 p. $3.00.

The author, like Evelyn Waugh, whose "Mexico: An Object Lesson" was reviewed in our last issue, is a British Catholic novelist who dislikes Mexico intensely.

TRUJILLO: THE MAN, AND HIS COUNTRY. By Sander Ariza. New York: Tremaine, 1939, 200 p. $2.00.

A very friendly portrait of the Dominican "strong man."

O ESTADO AUTORITÁRIO E A REALIDADE NACIONAL. By Azevedo Amaral. Rio de Janeiro: Olympio, 1938, 312 p.

Brazilian political problems placed in their constitutional and historical setting.

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SOURCE MATERIAL

By Denys P. Myers

PUBLIC DOCUMENTS OFFICIALLY PRINTED

Documents may be procured from the following: *United States:* Govt. Printing Office, Superintendent of Documents, Washington, D. C. *Great Britain:* British Library of Information, 50 Rockefeller Plaza, New York. *France:* Gerda M. Anderson, 12 Ave. Ernest Reyer, Paris XIV^e^. *League of Nations, Perm. Court of Int. Justice, Int. Institute of Intellectual Coöperation:* Columbia University Press, Int. Documents Service, 2960 Broadway, New York. *Int. Labor Office:* 734 Jackson Pl., Washington, D. C. Washington imprints are Government Printing Office and London imprints are His Majesty's Stationery Office, unless otherwise noted. Since 1928 a list of Government documents has been printed in the *Monthly List of Books Catalogued in the Library of the League of Nations.*

ARMS TRAFFIC

INTERNATIONAL traffic in arms. Laws and regulations administered by the Secretary of State governing the international traffic in arms, ammunition, and implements of war and other munitions. Seventh edition. Washington, 1939. 37 p. 23 cm. (Department of State Publication 1407.) 10c.

PRODUCTION of explosives in the United States during the calendar year 1939. By W. W. Adams, V. E. Wrenn, and L. S. Horton. Washington, 1939. 28 p. 23 cm. (U. S. Department of the Interior, Bureau of Mines, Technical Paper 606.) 5c.

AVIATION

AIR navigation. Arrangement between the United States of America and France. Effected by Exchange of Notes. Signed July 15, 1939. Washington, 1939. 16 p. 23 cm. (Executive Agreement Series No. 152.) 10c.

AIR transport services. Agreement between the United States of America and France. Effected by exchange of notes. Signed July 15, 1939. Washington, 1939. 7 p. 23 cm. (Executive Agreement Series, No. 153.) 5c.

AIR transport services. Arrangement between the United States of America and Canada. Effected by exchange of notes. Signed August 18, 1939. Washington, 1939. 6 p. 23 cm. (Executive Agreement Series No. 159.) 10c.

PROCUREMENT of aircraft. Hearing before the Committee on Military Affairs, United States Senate, 76th Congress, 1st session, on S. 2868, a bill to facilitate the procurement of aircraft for the national defense. July 26, 1939. Washington, 1939. ii, 12 p. 23½ cm.

FINLAND — SOVIET UNION

APPEAL by the Finnish Government. Geneva, 1939. 7 p. 33 cm. (League of Nations, A.32. 1939.VII.1.)

APPEAL by the Finnish Government. Supplementary documentation transmitted to the Secretary-General by the delegate of Finland. Geneva, 1939. 16 p. 33 cm. (League of Nations A.33.1939.VII.2.)

APPEAL by the Finnish Government. Report of the Assembly provided for in Article 15, paragraphs 4 and 10, of the Covenant. Submitted by the Special committee of the Assembly. Geneva, 1939. 12 p. 33 cm. (League of Nations, A.46.1939.VII.3.)

GUATEMALA

COLECCIÓN de tratados de Guatemala, compilada por José Rodríguez Cerna. Vol. I Pactos con el resto de Centro América. Guatemala, Tipografía nacional, 1939. 499 p. 27 cm (Publicaciones de la Secretaría de relaciones exteriores.)

INDIA

INDIA and the war. Statement issued by the Governor-General of India on 17th October 1939. London, 1939. 21 p. 24½ cm. (Cmd. 6121.) 4d.

INTERNATIONAL ECONOMIC CONDITIONS

ECONOMIC Intelligence Service. Balances of payments 1938. Geneva, 1939. 148 p. 27 cm (League of Nations, 1939.II.A.20.)

——. International trade statistics 1938. Geneva, 1939. 345 p. 27 cm. (League of Nations 1939.II.A.21.)

——. Raw materials and foodstuffs. Production by countries, 1935 and 1938. Geneva, 1939 75 p. 27 cm. (League of Nations. 1939.II.A.24.)

——. International trade in certain raw materials and foodstuffs by countries of origin and consumption 1938. Geneva, 1939. 178 p. 27 cm. (League of Nations, 1939.II.A.22.)

——. World economic survey. Eighth year 1938/39. Geneva, 1939. 247 p. 24 cm. (League of Nations. 1939.II.A.18.)

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

OVERSEA travel and travel expenditures in the balance of international payments of the United States, 1919–38. By August Maffry. Washington, 1939. 95 p. 23 cm. (U. S. Department of Commerce, Bureau of Foreign and Domestic Commerce, Economic Series — No. 4.) 15c.

ITALY — UNITED KINGDOM

AGREEMENT between the Government of the United Kingdom and the Italian Government to facilitate economic collaboration (with protocol). Rome, October 27, 1939. London, 1939. 7 p. 24½ cm. (Italy No. 1 (1939), Cmd. 6128.) 2d.

LEAGUE OF NATIONS

BUDGET for the twenty-second financial period (1940) and report on financial questions adopted by the Assembly at its twentieth ordinary session on December 14, 1939. Geneva, 1939. p. 415–488. 33 cm. (League of Nations, *Official Journal*, 20th year, Nos. 11–12, November–December 1939 (Part I).)

FOURTH committee (budgetary and administrative questions) of the Assembly. Summary of the meetings of the December 1939 session. Geneva, 1939. vi, 66 p. 33 cm. (League of Nations.)

NEUTRALITY REGULATIONS

REPORT on the meeting of the ministers of foreign affairs of the American Republics. Panama. September 23–October 3, 1939. Submitted to the Governing Board of the Pan American Union by the Director General. Washington, Pan American Union, 1939. iii, 28 p. 23 cm. (Pan American Union, Congress and Conference Series No. 29.)

The final act is also printed in Department of State *Bulletin*, I, 321.

DECREES and regulations on neutrality transmitted to the Pan American Union by the member Governments pursuant to resolution I of the meeting of the Ministers of Foreign Affairs of the American Republics held at Panama from September 23 to October 3, 1939. Washington, Pan American Union, 1939. 181 p. 27 cm. (Law and Treaty Series No. 12.)

OVERZICHT van de Voornaamste tot November 1939 in Verband met den Oorlogstoestand door het Ministerie van Buitenlandsche Zaken behandelde en voor Openbaarmaking geschikte Aangelegenheden. November 1939. Te 'S-Gravenhage, ter Algemeene Landsdrukkerij, 1939. 20 p. 34½ cm.

VISITS in uniform by members of defense forces. Arrangement between the United States of America and Canada. Washington, 1939. 4 p. 23 cm. (Executive Agreement Series No. 157.) 5c.

NEUTRALITY Act of 1939 and proclamations and regulations issued thereunder. Washington, 1939. Department of State, Map Series 8. (Publication 1414.)

PANAMA — UNITED STATES

FRIENDSHIP and coöperation. General treaty between the United States of America and Panama. Signed at Washington March 2, 1936 . . . and exchanges of notes. Washington, 1939. 69 p. 2 maps. 23 cm. (Treaty Series No. 945.)

TRATADO general entre la Republica de Panama y los Estados de America. Panama, The Star & Herald Co., 1939. 20 p. 23 cm.

PERMANENT COURT OF INTERNATIONAL JUSTICE

THE ELECTRICITY company of Sofia and Bulgaria (interim measures of protection). Order of December 5, 1939. Leyden, A. W. Sijthoff, 1939. 194–200 p. 24½ cm. (Permanent Court of International Justice, Series A/B, Fascicule No. 79.)

THE "SOCIÉTÉ Commerciale de Belgique." Judgment of June 15, 1939. (Series A/B, Fascicule No. 78.) Leyden, A. W. Sijthoff, 1939. 317 p. 24 cm. (Permanent Court of International Justice, Series C, Judicial years 1938–1939, No. 87.)

RUMANIA

CONDICA tratatelor si a altor legăminte ale Românei 1354–1937. Întocmită sub auspiciile Ministerului afacerilor străine de F. C. Nano, ministru plenipotentiar, fost sef al Diviziunii Tratatelor. Bucarest, 1938. 2 vols. in one, 687, 88 p. 23 cm.

A chronological list with references to all texts and full information as to duration, arranged as follows: Vol. I: I. Partea istorică. (Dela 1354 până la Unirea Principatelor.) II. Tratate bilaterale. Vol. II: III. Tratate multilaterale. IV. Tratate încheiate direct de autoritătile posta telegraf, telefon si cai ferate. V. Index alfabetic pe materii.

RURAL LIFE, EUROPEAN

Though the conference scheduled has been deferred, the monographs are listed for their informational value.

EUROPEAN Conference on Rural Life. General technical documentation. Rural dietaries in Europe. Annex: report on bread. Report prepared under the auspices of the health committee. Geneva, 1939. 94 p. 24 cm. (League of Nations, C.183.M.112.1939.Conf.E.V.R.25. European Conference on Rural Life. 26.)

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——. National monographs drawn up by governments. DENMARK. Geneva, 1939. 54 p. illus. 24 cm. (League of Nations, C.113.M.68.1939.Conf.E.V.R.19. European Conference on Rural Life. 20.)

——. ——. FRANCE. Geneva, 1939. 107 p. illus. 24 cm. (League of Nations, C.158.M.94.1939. Conf.E.V.R.22. European Conference on Rural Life. 22.)

——. ——. LUXEMBURG. Geneva, 1939. 36 p., illus. 24 cm. (League of Nations, C.182.M.111. 1939.Conf.E.V.R.24. European Conference on Rural Life. 24.)

——. ——. NORWAY. Geneva, 1939. 66 p. illus. 24 cm. (League of Nations, C.190.M.119.1939. Conf.E.V.R.26. European Conference on Rural Life. 25.)

——. ——. SWEDEN. Geneva, 1939. 71 p. illus. 24 cm. (League of Nations, C.140.M.90.1939. Conf.E.V.R.21. European Conference on Rural Life. 21.)

——. ——. YUGOSLAVIA. Geneva, 1939. 83 p. illus. 24 cm. (League of Nations, C.169.M.99.1939. Conf.E.V.R.23. European Conference on Rural Life. 23.)

SECOND WORLD WAR

AGREEMENT between the Government of the United Kingdom and the Polish Government regarding mutual assistance. London, August 25, 1939. London, 1939. 6 p. 24½ cm. (Treaty Series No. 58 (1939), Cmd. 6144.) 1d.

FINAL report by the Right Honorable Sir Nevile Henderson, G.C.M.G., on the circumstances leading to the termination of his mission to Berlin. September 20, 1939. London, 1939. 27 p. 24½ cm. (Germany No. 1 (1939), Cmd. 6115.) 3d.

DOKUMENTE zur Vorgeschichte des Krieges. Berlin, Gedruckt in der Reichsdruckerei, 1939. (Auswärtiges Amt.)

GERMAN White Book. Documents concerning the last phase of the German-Polish crisis. New York, German Library of Information, 1939. 48 p. 23 cm.

MINISTÈRE des affaires étrangères. Documents diplomatiques, 1938–1939. Pièces relatives aux événements et aux négociations qui ont précédé l'ouverture des hostilités entre l'Allemagne d'une part, la Pologne, la Grande-Bretagne et la France d'autre part. Paris, Imprimerie Nationale, 1939. 360 p.

BELLIGERENT PROPAGANDA

ASSURANCE of victory. London, 1939. 32 p. 21 cm. 3d. (Ministry of Information.)

DAS OBERKOMMANDO der Wehrmacht gibt bekannt . . . Wahrheit und Lüge über den September-Feldzug 1939. Auf Grund amtlichen Materials zusammengestellt von Werner Picht. Mit einer Operationsskizze. Zweite Auflage. Berlin, E. S. Mittler & Sohn, 1940. 69 p., map. 22 cm.

DER "ATHENIA" Fall. Adolf Halfeld. Berlin, 1939. 40 p. 21 cm. (Deutsche Informationsstelle, Englands wahres Gesicht Nr. 1.)

HOW Hitler made the war. The inner story as told in the Foreign Office telegrams and documents, abridged from the Blue Book and Sir Nevile Henderson's final report. London, 1939. 44 p. 21½ cm. (Ministry of Information.) 3d.

PAPERS concerning the treatment of German nationals in Germany 1938–1939. London, 1939. 36 p. 24½ cm. (Germany No. 2 (1939), Cmd. 6120.) 3d.

WIE kam es zum Kriege 1939. Von Wilhelm Ziegler. Leipzig, Reclam, 1939. 73 p. 16 cm.

BELLIGERENT REGULATIONS

EMERGENCY powers (defense). The defense regulations, 1939 (being regulations made under the emergency powers (defense) act, 1939, printed as amended up to and including 21st September, 1939) together with a table showing the effect of the regulations on the statute book. Prepared in the office of the Parliamentary Counsel. London, 1939. vi, 113 p. 24½ cm. 2s.

EMERGENCY powers (defense). General regulations. Order in Council amending the defense regulations 1939. London, 1939. 29 p. 24½ cm. (Statutory Rules and Orders 1939 No. 1681.) 6d.

LISTS of Emergency acts and statutory rules and orders. Revised to October 4, 11, 20, November 1, 14, 1939. Supplement I, November 22, 1939. London, 1939. 3d–6d each. (70–9999.)

TRADING with the enemy act, 1939. London, 1939. 14 p. 24½ cm. (2 & 3 Geo. 6. Ch. 89.) 3d.

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